

<i>SERFF Tracking Number:</i>	<i>STFL-127348922</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>State Farm Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>49645</i>
<i>Company Tracking Number:</i>	<i>SFL12037-04 ET AL</i>		
<i>TOI:</i>	<i>L09I Individual Life - Flexible Premium</i>	<i>Sub-TOI:</i>	<i>L09I.003 Joint (First to Die)</i>
	<i>Adjustable Life</i>		
<i>Product Name:</i>	<i>Joint UL 1st to Die</i>		
<i>Project Name/Number:</i>	<i>Joint UL 1st to Die/12037-04 et al</i>		

## Filing at a Glance

Company: State Farm Life Insurance Company

Product Name: Joint UL 1st to Die

TOI: L09I Individual Life - Flexible Premium

Adjustable Life

Sub-TOI: L09I.003 Joint (First to Die)

Filing Type: Form

SERFF Tr Num: STFL-127348922 State: Arkansas

SERFF Status: Closed-Approved- State Tr Num: 49645

Closed

Co Tr Num: SFL12037-04 ET AL

State Status: Approved-Closed

Reviewer(s): Linda Bird

Authors: Rachel Lighthall, Steve

Disposition Date: 09/02/2011

Crum, Maureen Macak

Date Submitted: 08/26/2011

Disposition Status: Approved-Closed

Implementation Date Requested: 04/28/2012

Implementation Date:

State Filing Description:

## General Information

Project Name: Joint UL 1st to Die

Project Number: 12037-04 et al

Requested Filing Mode: Review & Approval

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments: Illinois is our state of domicile, and it has been filed with the Interstate Compact and is pending approval at this time.

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Individual Market Type:

Overall Rate Impact:

Filing Status Changed: 09/02/2011

State Status Changed: 09/02/2011

Deemer Date:

Created By: Steve Crum

Submitted By: Steve Crum

Corresponding Filing Tracking Number:

Filing Description:

NAIC # 69108

FEIN #37-0533090

Enclosed for your consideration are the following new individual life forms:

SERFF Tracking Number: STFL-127348922 State: Arkansas  
Filing Company: State Farm Life Insurance Company State Tracking Number: 49645  
Company Tracking Number: SFL12037-04 ET AL  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.003 Joint (First to Die)  
Adjustable Life  
Product Name: Joint UL 1st to Die  
Project Name/Number: Joint UL 1st to Die/12037-04 et al

Form #	Form Name
12037-04	, Flexible Premium Joint First to Die Adjustable Life Insurance Policy
12108-04	, Level Term Life Insurance Benefit Rider – Insured 1
12128-04	, Level Term Life Insurance Benefit Rider – Insured 2
12203	, Waiver of Monthly Deduction Benefit Rider – Insured 1
12204	, Waiver of Monthly Deduction Benefit Rider – Insured 2
12145	, Children’s Term Life Insurance Benefit Rider
12258	, Guaranteed Insurability Option Benefit Rider
1000704 AR.3	, Application for Individual Life Insurance

Form 12037-04 is a universal life policy that provides flexible premium adjustable life insurance on two Insureds. The death benefit is payable on the first Insured’s death under one of the two death benefit options. The death benefit option can be changed. No more than once per policy year, coverage may be decreased or increased. Increases must be equal to or greater than the minimum increase in face amount of \$50,000. The maximum premium charge percentage and monthly issue charges are shown on Page 3. Monthly deductions are made at the beginning of each policy month. The maximum monthly cost of insurance rates per \$1000 are shown on page 4. The current monthly cost of insurance rates per \$1000 are adjustable. Issue ages are 20 to 85 for both Insureds. The survivor purchase option is available for 90 days after the first death if the first death occurs while the policy is in force and before the policy anniversary when the survivor is age 75. Under this option, a new policy may be purchased on the survivor without evidence of insurability, but may be no more than the Survivor Insurance Amount, which is defined as the basic amount for death benefit option 1 and the basic amount plus account value for death benefit option 2. If the survivor dies while the survivor purchase option is available, the Survivor Insurance Amount will be paid.

Form 12037-04 is a participating policy, although we do not expect to pay dividends. This policy will be illustrated.

Form 12108-04 is an individual level term life insurance benefit rider available on proposed Insured 1. This rider will pay a specified amount on the death of Insured 1. The term of coverage will be to age 95. The maximum monthly charges per \$1000 are shown for this rider on page 4. The current monthly charges are adjustable. Issue ages are 20 to 75. This rider can only be attached to form 12037-04.

Form 12128-04 is an individual level term life insurance benefit rider available on proposed Insured 2. This rider will pay a specified amount on the death of Insured 2. The term of coverage will be to age 95. The maximum monthly charges per \$1000 are shown for this rider on page 4. The current monthly charges are adjustable. Issue ages are 20 to 75. This rider can only be attached to form 12037-04.

Form 12203 provides a waiver of monthly deduction benefit if Insured 1 is totally disabled as defined in the form. The monthly charges per \$1 of monthly deduction are shown on page 4. The issue ages are 20-59. This rider can only be

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Adjustable Life  
Product Name: Joint UL 1st to Die  
Project Name/Number: Joint UL 1st to Die/12037-04 et al

attached form 12037-04.

Form 12204 provides a waiver of monthly deduction benefit if Insured 2 is totally disabled as defined in the form. The monthly charges per \$1 of monthly deduction are shown on page 4. The issue ages are 20-59. This rider can only be attached form 12037-04.

Form 12145 provides a term life insurance benefit on each Eligible Child of both Insureds until the earlier of the Eligible Child's 25th birthday or the policy anniversary when the oldest Insured is age 65. Issue ages are 20 -55 for both Insureds. On the effective date, the Eligible Children must be under age 18. The 2001 CSO Mortality Table is used in determining the cash values for the paid-up benefit and is shown on page 4 of the policy. This rider can only be attached form 12037-04.

Form 12258 provides a guaranteed insurability option benefit which provides option dates on which this policy's amount of insurance can be increased without evidence of insurability. Option dates are the policy anniversaries when the oldest Insured is age 22, 25, 28, 31, 34, 37, 40, 43, 46, and 49. Issue ages are 20-37 for both Insureds. This rider can only be attached form 12037-04.

Form 1000704 AR.3, Application for Life Insurance, will be used with these forms and will replace application form 1000704 AR.2, which was approved by your Department on January 3, 2011 under SERFF tracking number STFL-126931804 and state tracking number 47498.

The following sections in form 1000704 AR.3 were revised to include "First to Die" coverage.

- Type of Application (section 1, page 1)
- Coverages Applied For (section 6, page 2)
- Universal Life/First to Die/Second to Die (section 9, page 3)
- Beneficiary Designation (sections 10 & 11, pages 3 & 4).
- CTR (section 12, page 4)

In order to comply with Act 312 regarding interest on policy proceeds and refund of premiums, we will be using Arkansas – Form 1. The letter, a sample of which is attached, will be addressed either to a claimant or to a State Farm Life agent. If the original is sent to an agent, (a) a copy will be sent to the beneficiary; and (b) the following statement will be included in the agent's letter: "A copy of this letter is being mailed to the beneficiary." The beneficiary will then be made aware of the requirements of Act 312. The wording for this letter was discussed in a telephone conversation with Mr. Joe Musgrove and Mr. John States of our company.

To comply with Ark. Code Ann. 23-79-138 and Bulletins 6-87 and 11-88, enclosed is form 03905-04.1, which is given to each policyholder with the policy.

<i>SERFF Tracking Number:</i>	<i>STFL-127348922</i>	<i>State:</i>	<i>Arkansas</i>
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	<i>Adjustable Life</i>		
<i>Product Name:</i>	<i>Joint UL 1st to Die</i>		
<i>Project Name/Number:</i>	<i>Joint UL 1st to Die/12037-04 et al</i>		

To comply with Regulation 49, we provide the policyholder with enclosed form 03906-04.1, Limitations and Exclusions Under the Arkansas Life and Health Insurance Guaranty Association Act.

These forms will be marketed exclusively through State Farm agents, and will be effective April 28, 2012.

## Company and Contact

### Filing Contact Information

Steve Crum, Tech - Contracts & Compliance	steve.crum.pgyl@statefarm.com
1 State Farm Plaza	309-763-9006 [Phone]
Bloomington, IL 61710-0001	309-766-8483 [FAX]

### Filing Company Information

State Farm Life Insurance Company	CoCode: 69108	State of Domicile: Illinois
1 State Farm Plaza	Group Code:	Company Type:
Bloomington, IL 61710-0001	Group Name:	State ID Number:
(309) 766-4541 ext. [Phone]	FEIN Number: 37-0533090	

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## Filing Fees

Fee Required?	Yes
Fee Amount:	\$400.00
Retaliatory?	Yes
Fee Explanation:	8 forms x \$50 = \$400.00
	Voucher ID# 15362695
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
State Farm Life Insurance Company	\$400.00	08/26/2011	51000017

SERFF Tracking Number:	STFL-127348922	State:	Arkansas
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TOI:	L09I Individual Life - Flexible Premium Adjustable Life	Sub-TOI:	L09I.003 Joint (First to Die)
Product Name:	Joint UL 1st to Die		
Project Name/Number:	Joint UL 1st to Die/12037-04 et al		

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	09/02/2011	09/02/2011

<i>SERFF Tracking Number:</i>	<i>STFL-127348922</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>State Farm Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>49645</i>
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	<i>Adjustable Life</i>		
<i>Product Name:</i>	<i>Joint UL 1st to Die</i>		
<i>Project Name/Number:</i>	<i>Joint UL 1st to Die/12037-04 et al</i>		

## Disposition

Disposition Date: 09/02/2011

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: STFL-127348922 State: Arkansas

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Company Tracking Number: SFL12037-04 ET AL

TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.003 Joint (First to Die)

Adjustable Life

Product Name: Joint UL 1st to Die

Project Name/Number: Joint UL 1st to Die/12037-04 et al

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		Yes
Supporting Document	Health - Actuarial Justification		No
Supporting Document	Outline of Coverage		Yes
Supporting Document	Regulation 19 Certification		Yes
Supporting Document	Arkansas - Form 1		Yes
Supporting Document	AR 03906-04.1 & 03905-04.1		Yes
Supporting Document	Statements of Variability		Yes
Supporting Document	Actuarial Memorandum		No
Supporting Document	Regulation 34		Yes
Supporting Document	Comply with Bulletin 11-83 & Indeterminate Premium Certificate		Yes
Form	Flexible premium joint first to die Adjustable Life Insurance Policy		Yes
Form	Level Term Life Insurance Benefit Rider- Insured 1		Yes
Form	Level Term Life Insurance Benefit Rider- Insured 2		Yes
Form	Children's Term Life Insurance Benefit Rider		Yes
Form	Waiver of Monthly Deduction Benefit Rider - Insured 1		Yes
Form	Waiver of Monthly Deduction Benefit Rider - Insured 2		Yes
Form	Guaranteed Insurability Option Benefit Rider		Yes
Form	Life Application		Yes

SERFF Tracking Number: STFL-127348922 State: Arkansas

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Adjustable Life

Product Name: Joint UL 1st to Die

Project Name/Number: Joint UL 1st to Die/12037-04 et al

## Form Schedule

### Lead Form Number: 12037-04

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	12037-04	Policy/Cont Flexible premium ract/Fratern joint first to die al Adjustable Life Certificate Insurance Policy	Initial		56.000	_12037 04 JUL POLICY final 20110725 ss - Bracketed FINAL - 8-19- 11.pdf
	12108-04	Policy/Cont Level Term Life ract/Fratern Insurance Benefit al Rider- Insured 1 Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		58.000	12108 04 LTR Insured 1 final 20110725 ss - Bracketed FINAL - 8-3- 11.pdf
	12128-04	Policy/Cont Level Term Life ract/Fratern Insurance Benefit al Rider- Insured 2 Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		58.000	12128 04 LTR Insured 2 final 20110725 ss - Bracketed FINAL - 8-3- 11.pdf
	12145	Policy/Cont Children's Term Life ract/Fratern Insurance Benefit al Rider Certificate: Amendmen	Initial		60.000	12145 JUL CTR final 20110714 ss - Bracketed FINAL - 8-3-



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Project Name/Number: Joint UL 1st to Die/12037-04 et al

	t, Insert				11.pdf
	Page,				
	Endorseme				
	nt or Rider				
12203	Policy/Cont Waiver of Monthly	Initial		45.000	12203 JUL
	ract/Fratern Deduction Benefit				WMD Insured
	al Rider - Insured 1				1 final
	Certificate:				20110718 ss -
	Amendmen				Bracketed
	t, Insert				FINAL - 8-3-
	Page,				11.pdf
	Endorseme				
	nt or Rider				
12204	Policy/Cont Waiver of Monthly	Initial		45.000	12204 JUL
	ract/Fratern Deduction Benefit				WMD Insured
	al Rider - Insured 2				2 final
	Certificate:				20110718 ss -
	Amendmen				Bracketed
	t, Insert				FINAL - 8-3-
	Page,				11.pdf
	Endorseme				
	nt or Rider				
12258-04	Policy/Cont Guaranteed	Initial		56.000	12258 04 GIO
	ract/Fratern Insurability Option				final
	al Benefit Rider				20110728 ss -
	Certificate:				Bracketed
	Amendmen				FINAL - 8-3-
	t, Insert				11.pdf
	Page,				
	Endorseme				
	nt or Rider				
1000704	Application/Life Application	Revised	Replaced Form #:	57.000	1000704
AR.3	Enrollment		1000704 AR.2		AR.3 Life
	Form		Previous Filing #:		App_brackete
			STFL- 126931804		d FINAL - 8-5-
					2011.pdf



## STATE FARM LIFE INSURANCE COMPANY

One State Farm Plaza, Bloomington, Illinois 61710

Insured 1 [John J Doe]  
[(Male)]  
Age [35]  
Insured 2 [Jane A Doe]  
[(Female)]  
Age [35]  
Policy Number [LF-0000-0000]  
Policy Date [April 28, 2012]  
Initial Basic Amount [\$100,000]

This Policy is based on the Application and the payment of premiums, as specified in this Policy, until the first death of the Insureds. State Farm Life Insurance Company will pay the Proceeds to the Beneficiary when due proof of the first death of the Insureds is received.

**30-Day Right to Examine the Policy.** This Policy may be returned within 30 days of its receipt for a refund of all premiums paid. Return may be made to State Farm Life Insurance Company or one of Our agents. If returned, this Policy will be void from the Policy Date.

**Read this Policy with care.** This is a legal contract between You and State Farm Life Insurance Company.

[ *Edward B. Rust, Jr.* ]  
President

[ *Lynne M. Yauell* ]  
Secretary

# SAMPLE

### BASIC PLAN DESCRIPTION

Flexible premium joint first to die adjustable life insurance. The Death Benefit is payable only on the first death of the Insureds. The Survivor Purchase Option is available if the first death is prior to the Policy Anniversary in which the Survivor is age 75. Flexible premiums are payable until the Policy Anniversary when the older of the Insureds is age 121. The Basic Plan is eligible for Annual Dividends.

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**The Application and any Riders and Endorsements follow page 18.**

# P O L I C Y I D E N T I F I C A T I O N

Insured 1	[John J Doe]	Age	[35]
Insured 2	[Jane A Doe]	Age	[35]
Policy Number	LF-[0000-0000]	Initial Basic Amount	[\$100,000]
Policy Date	[April 28, 2012]		
Issue Date	[April 28, 2012]		
Owner	[John J Doe]		

## S C H E D U L E O F B E N E F I T S

### Basic Plan:

Death Benefit Option [1 (Basic Amount includes the Account Value)]  
 Basic Amount: \$[100,000]  
 Insured 1 Class of Risk: [Standard Male Non-Tobacco]  
 Insured 2 Class of Risk: [Standard Female Non-Tobacco]  
 Basic Amount Minimum: \$[100,000]  
 Minimum Amount of Increase: \$[50,000]  
 Minimum Amount of Decrease: \$[10,000]  
 Minimum Withdrawal: \$[500]  
 Definition of Life Insurance Test: [Guideline Premium Test]

## S C H E D U L E O F P R E M I U M S

Initial Premium: \$[1,281.00]  
 Planned Premium: \$[1,281.00]  
 Payment Period: [Annual]

	Total Premiums
Beginning:	For Policy Year
[April 28, 2012]	\$[1,281.00]

## I N T E R E S T R A T E S

Guaranteed Interest Rate: 2.5%  
 Insurance Discount Factor: 1.0020598

## C H A R G E S A N D F E E S

Deduction Date: [28th] of each month

Maximum Premium Charge Percentage: 7%

Maximum Monthly Expense Charge in Policy Years 1-5:	\$9.00
Maximum Monthly Expense Charge in Policy Years 6 and later:	\$12.00

For the Initial Basic Amount, the Maximum Monthly Issue Charge in the first 60 Policy Months starting on the Policy Date:

\$0.08 per \$1000, subject to a maximum of \$20.00 per month.

Continued on Next Page

For each increase in Basic Amount, the Maximum Monthly Issue Charge in the first 60 Policy Months starting on the Effective Date of the increase:

\$ .08 per \$1000, each subject to a maximum of \$20.00 per month.

A N N U A L     D I V I D E N D S

This Policy is eligible for annual dividends; however, we do not expect to pay dividends on this Policy. Dividends are not guaranteed. See the Annual Dividends provision on page 8.

\*\*\*\*\*  
NOTE: The Planned Premium shown may not continue this Policy in force to the Policy Anniversary when the older of the Insureds is age 121 even if this amount is paid as scheduled. The period for which this Policy will continue will depend on (1) the amount, time, and frequency of premium payments, (2) changes in Premium Charge Percentage, (3) changes in the Basic Amount and Death Benefit Option, (4) changes in interest in excess of the Guaranteed Interest Rate, (5) the actual Monthly Deductions including Cost of Insurance, Monthly Charges for any Riders, Monthly Expense Charge, and Monthly Issue Charge, (6) Withdrawals, and (7) Loans. See the Changes in Rates and Charges provision for rates and charges we can change.

This Policy may not qualify as life insurance under federal tax law after the Policy Anniversary when the older of the Insureds is age [100] and may be subject to adverse tax consequences. A tax advisor should be consulted before the Owner chooses to continue this Policy after the Policy Anniversary when the older of the Insureds is age [100].  
\*\*\*\*\*

M I N I M U M   D E A T H   B E N E F I T   P E R C E N T A G E   O F   A C C O U N T   V A L U E  
T A B L E

Policy Year	Percentage	Policy Year	Percentage	Policy Year	Percentage	Policy Year	Percentage
[1	250%	17	178%	33	118%	49	105% ]
[2	250%	18	171%	34	117%	50	105% ]
[3	250%	19	164%	35	116%	51	105% ]
[4	250%	20	157%	36	115%	52	105% ]
[5	250%	21	150%	37	113%	53	105% ]
[6	250%	22	146%	38	111%	54	105% ]
[7	243%	23	142%	39	109%	55	105% ]
[8	236%	24	138%	40	107%	56	105% ]
[9	229%	25	134%	41	105%	57	104% ]
[10	222%	26	130%	42	105%	58	103% ]
[11	215%	27	128%	43	105%	59	102% ]
[12	209%	28	126%	44	105%	60	101% ]
[13	203%	29	124%	45	105%	61 & over	100% ]
[14	197%	30	122%	46	105%	]	
[15	191%	31	120%	47	105%	]	
[16	185%	32	119%	48	105%	]	

S C H E D U L E   O F   S U R R E N D E R   C H A R G E S

Beginning			Beginning		
Policy Year	Policy Month	Surrender Charge	Policy Year	Policy Month	Surrender Charge
[1	1	\$ 61.00	2	8	\$ 1,222.00 ]
[1	2	122.00	2	9	1,283.00 ]
[1	3	183.00	2	10	1,344.00 ]
[1	4	244.00	2	11	1,405.00 ]
[1	5	305.00	2	12	1,466.00 ]
[1	6	367.00	3	1	1,466.00 ]
[1	7	428.00	4	1	1,466.00 ]
[1	8	489.00	5	1	1,466.00 ]
[1	9	550.00	6	1	1,466.00 ]
[1	10	611.00	7	1	1,319.00 ]
[1	11	672.00	8	1	1,173.00 ]
[1	12	733.00	9	1	1,026.00 ]
[2	1	794.00	10	1	880.00 ]
[2	2	855.00	11	1	733.00 ]
[2	3	916.00	12	1	586.00 ]
[2	4	977.00	13	1	440.00 ]
[2	5	1,038.00	14	1	293.00 ]
[2	6	1,100.00	15	1	147.00 ]
[2	7	1,161.00	16	1	0.00 ]

Additional surrender charges will apply for each increase in Basic Amount for 15 years starting on the effective date of the increase.

Continued on Next Page

## C O S T   O F   I N S U R A N C E   R A T E S   A N D   M O N T H L Y   C H A R G E S

Maximum Monthly Cost of Insurance Rates  
Per \$1000

Insured 1 Class of Risk: [Standard Male Age 35 Non-Tobacco]

Insured 2 Class of Risk: [Standard Female Age 35 Non-Tobacco]

Policy Year	Rate	Policy Year	Rate	Policy Year	Rate	Policy Year	Rate	Policy Year	Rate
[ 1	0.1701	17	0.5896	33	2.7767	49	14.0364	65	63.1986 ]
[ 2	0.1801	18	0.6532	34	3.0251	50	15.6344	66	68.5097 ]
[ 3	0.1910	19	0.7235	35	3.3013	51	17.3719	67	73.9243 ]
[ 4	0.2026	20	0.8056	36	3.6200	52	19.3612	68	80.0210 ]
[ 5	0.2143	21	0.8987	37	3.9986	53	21.6614	69-85	83.3333 ]
[ 6	0.2294	22	0.9968	38	4.4317	54	24.1405	86+	0.0000 ]
[ 7	0.2469	23	1.0959	39	4.8955	55	26.7336		] ]
[ 8	0.2678	24	1.1967	40	5.4016	56	29.0967		] ]
[ 9	0.2928	25	1.3077	41	5.9565	57	31.4432		] ]
[ 10	0.3212	26	1.4347	42	6.5784	58	34.4014		] ]
[ 11	0.3529	27	1.5838	43	7.2921	59	37.9678		] ]
[ 12	0.3872	28	1.7517	44	8.1070	60	42.1582		] ]
[ 13	0.4206	29	1.9333	45	9.0196	61	46.6497		] ]
[ 14	0.4524	30	2.1261	46	10.0850	62	51.1920		] ]
[ 15	0.4900	31	2.3319	47	11.3087	63	55.1104		] ]
[ 16	0.5352	32	2.5465	48	12.6163	64	58.5161		] ]

The Maximum Monthly Cost of Insurance Rates are based on the age last birthday at the start of the Policy Year, sex, and tobacco use of each of the Insureds as shown above. The Commissioners 2001 Standard Ordinary Smoker/Non smoker Ultimate Age Last Birthday Mortality Table applies. Modifications are made if the Class of Risk is other than Standard.

<b>DEFINITIONS</b>
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**We, Us, and Our** refer to State Farm Life Insurance Company.

**You and Your** refer to the Owner.

**Application.** Includes any life insurance application, any application for change in this Policy, medical history, questionnaire, and other documents from You or any other person proposed for insurance which are made a part of this Policy.

**Basic Amount.** The Initial Basic Amount plus any Basic Amount Increases less any Basic Amount Decreases. Shown on page 3.

**Basic Amount Minimum.** Shown on page 3.

**Benefit Period Ends.** For any Rider, the coverage for the benefit extends to, but does not include, the Policy Anniversary in the year shown on page 3 under this heading.

**Cash Surrender Value.** The Cash Value less any Loan and accrued Loan Interest. This amount will not be less than zero.

**Cash Value.** The Account Value less any Surrender Charge. If this Policy is surrendered within 31 days after a Policy Anniversary, this amount will not decrease within that period except for any Withdrawals.

**Class of Risk.** The underwriting class of each person insured. A Class of Risk will be determined for the Initial Basic Amount and each Basic Amount Increase.

**Code.** The United States Internal Revenue Code, as amended from time to time.

**Deduction Date.** The Policy Date and each monthly anniversary of the Policy Date.

**Dollars.** Any money We pay, or which is paid to Us, must be in United States dollars.

**Effective Date.** Coverage starts on this date.

**Initial Basic Amount.** The amount of coverage provided by the Basic Plan on the Policy Date shown on page 3.

**Initial Net Premium.** The Initial Premium less any Premium Charge.

**Initial Premium.** The amount shown on page 3 You must pay before this Policy becomes effective.

**Insurance Amount.** The amount of coverage on the Effective Date of each Rider shown under this heading on page 3. For the Basic Plan, see the Death Benefit Options provision on page 10.

**Insureds.** Insured 1 and Insured 2.



<b>DEFINITIONS (CONTINUED)</b>
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**Issue Date.** The date this Policy is issued shown on page 3.

**Monthly Charge Deductible.** A monthly charge for any Rider is deducted as part of the Monthly Deduction until the Policy Anniversary in the year shown on page 3 under the heading Benefit Period Ends.

**Net Premium Payment.** Your premium payment less any Premium Charge.

**Officer.** The president, a vice president, the secretary, or an assistant secretary of State Farm Life Insurance Company.

**Payee.** If Proceeds are payable on the first death of the Insureds, the Beneficiaries shown in the Application, unless changed. If You surrender this Policy while both Insureds are alive, the persons that You have named to receive the Cash Surrender Value. A Payee can be other than a natural person only if We agree.

**Planned Premium.** The premium amount shown on page 3 that You have chosen. This amount is for the payment period that You have chosen.

**Policy Date.** The Effective Date of this Policy, shown on pages 1 and 3.

**Policy Month, Year, or Anniversary.** A policy month, year, or anniversary is measured from the Policy Date.

**Proceeds.** The amounts payable on the first of the Insureds to die under this Policy and any Rider providing life insurance benefits on that person.

**Request.** A written request signed by You. Such Request must be received by Us and be on Our request form; or if such Request is not on Our request form, it must include the information required by Our request form.

**Rider.** Any benefit, other than the Basic Plan, made a part of this Policy.

**Successor Owner.** May be named in the Application or later by Request.

**Survivor.** If Insured 2 dies first, Insured 1 is the Survivor. If Insured 1 dies first, Insured 2 is the Survivor. If the order of death of the Insureds cannot be determined, the younger of the Insureds is assumed to be the Survivor.

**Survivor Insurance Amount.** If Option 1 is the Death Benefit Option in effect on the date of first death of the Insureds, the Basic Amount. If Option 2 is the Death Benefit Option in effect on the date of first death of the Insureds, the Basic Amount plus the Account Value.

## GENERAL PROVISIONS

**The Contract.** This Policy contains the Basic Plan, any amendments, any endorsements, any Riders, and a copy of the Application. A copy of any Application for a change to this Policy will be sent to You to be placed with this Policy. Such Applications become part of this Policy. This Policy is the entire contract. We have relied on the statements in the Application in issuing this Policy. We reserve the right to investigate the truth and completeness of those statements. In the absence of fraud, those statements are representations and not warranties. Only statements in the Application will be used to rescind this Policy or deny a claim within the time period specified in the Incontestability provision.

Only an Officer has the right to change this Policy. No agent has the authority to change this Policy or to waive any of its terms. All endorsements, amendments, and Riders must be signed by an Officer to be valid.

We may modify this Policy after We notify You to assure continued qualification of this Policy as a life insurance contract under any section of, regulation or ruling under, the Code. If We modify this Policy, We will send You the appropriate endorsement to be placed with this Policy. Such endorsement is subject to regulatory approval. If any provision of this Policy conflicts with the law of a jurisdiction that governs this Policy, the provision is deemed to be amended to conform to such law.

**Definition of Life Insurance Test.** In order for Your Policy to qualify as a life insurance contract under the Code, it must at all times satisfy one of the two tests defined by the Code. Unless elected otherwise in the Application, the test that applies to this Policy is the Cash Value Accumulation Test. The test applicable to this Policy is shown on page 3 and is called the Definition of Life Insurance Test. It cannot be changed for the life of this Policy.

**Transaction Delay.** Any payment from the Account Value or for a Loan will usually be made within 7 days of receipt of the Request for payment. We may defer payment of any Cash Surrender Value, withdrawal, or Loan for up to 6 months from the date We receive Your Request. However, a withdrawal or a Loan to pay a premium on other policies with Us will not be deferred.

If We defer any such payment for 30 days or more, We will pay interest in addition to such payment. Such interest accrues from the date the payment becomes payable to the date of payment at 2% per year or the interest rate and time required by law, if greater.

**Annual Report.** Each year, We will send You a report. This report will show:

- (1) the Account Value, the Cash Surrender Value, any Loan and accrued Loan Interest, and the amount of the Death Benefit as of the date of the last report and this report and
- (2) any premiums paid, any deductions made, and any amounts withdrawn since the last report.

**Minimum Values.** The Cash Values of this Policy are at least as large as those required by law in the state where this Policy is delivered. The insurance authority there has a statement of how these values are calculated. We base minimum Cash Values, Maximum Monthly Cost of Insurance Rates, and reserves on the age last birthday, sex, and tobacco use of each of the Insureds. The Guaranteed Interest Rate is shown on page 3. The mortality table used is shown on page 4. Modifications are made for each Class of Risk other than Standard.

**Changes in Rates and Charges.** Prior to the Policy Anniversary when the older of the Insureds is age 121, Monthly Cost of Insurance Rates, Monthly Charges for any level term life insurance benefit rider, the Premium Charge Percentage, the Monthly Issue Charge, the Monthly Expense Charge, and the interest rate applicable to the Account Value can change at any time, subject to the limitations in this Policy. We will determine each based on future expectations as to investment earnings, mortality, expenses, and persistency.

<b>GENERAL PROVISIONS (CONTINUED)</b>
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**Annual Dividends.** We do not expect to pay dividends on this Policy; however, We may apportion and pay dividends each year. Any such dividends will be paid only at the end of a Policy Year. There is no right to a partial or prorated dividend prior to the end of a Policy Year.

You may choose to have Your dividend used under one of these Dividend Options:

- (1) Cash. We will pay it to You in cash.
- (2) Addition to Account Value. We will add it to the Account Value at the end of the Policy Year.

If You do not choose a Dividend Option on the Application or by Request or the Dividend Option chosen is not available, We will use Dividend Option 2. You may change the Dividend Option by Request. The change will apply to dividends paid after We receive Your Request.

**Projection of Benefits and Values.** If You send Us a Request, We will provide You a projection of death benefits, account values, and cash surrender values each year. An additional projection can be provided if You send Us a Request. We may charge no more than a \$25 fee for providing each additional projection.

**Assignment.** You may assign this Policy or any interest in it. We will recognize an Assignment only if it is in writing and filed with Us. We are not responsible for the validity or effect of any Assignment. An Assignment may limit the interest of any Beneficiary. The Assignment will take effect the date You sign the form or the date You choose, subject to any payments made or actions taken by Us prior to receipt of the Assignment.

**Error in Age or Sex.** If the date of birth or sex is not as stated in the Application, We will adjust this Policy as follows. If the error is discovered prior to the date a death benefit is payable, Monthly Deductions starting on the next Deduction Date will be made based on the correct age and sex. No adjustments will be made to the Account Value.

If the error is discovered when a death benefit is payable, such adjustment will be based on the ratio of the correct deduction for the Cost of Insurance or Monthly Charge, as applicable, for the most recent Deduction Date for that benefit to the deduction for the Cost of Insurance or Monthly Charge, as applicable, that was made. For the Basic Plan, the adjustment is made to the amount of insurance less the Account Value.

**Incontestability.** We will not contest the Initial Basic Amount after it has been in force during the lifetime of either of the Insureds for 2 years from the Policy Date. We will not contest any Basic Amount Increase or reinstatement after it has been in force during the lifetime of either of the Insureds for 2 years from the Effective Date of the Basic Amount Increase or reinstatement. We will not contest a Basic Amount Increase due to a change to Death Benefit Option 1. Any contest of any Basic Amount Increase or reinstatement will be based on statements made in the Application that are material to the risk or the hazard assumed by Us for such Basic Amount Increase or reinstatement.

Each Rider has its own incontestability provision.

**Limited Death Benefit.** If either of the Insureds dies by suicide while sane or self-destruction while insane within 2 years from the Policy Date, the Initial Basic Amount will not be paid. The Proceeds in this case will be limited to the premiums paid on the Basic Plan less any Loan, accrued Loan Interest, any Withdrawals from the Account Value, and any dividends paid on the Basic Plan. Additionally, in this case, the Survivor Purchase Option is not available.

<b>GENERAL PROVISIONS (CONTINUED)</b>
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Any Basic Amount Increase will not be paid if either of the Insureds dies by suicide while sane or self-destruction while insane within 2 years from the Effective Date of such Basic Amount Increase. The Proceeds of the Basic Amount Increase will be limited to the Monthly Deductions for the Basic Amount Increase. This does not apply to a Basic Amount Increase due to a change to Death Benefit Option 1. In this case, the Survivor Insurance Amount does not include this Basic Amount Increase.

Each Rider has its own limited death benefit provision.

**Policy Split.** This Policy may be exchanged, without evidence of insurability, for an individual whole life insurance policy on each of the Insureds. The right to exchange will be available for the 6-month period beginning on the date of:

- (1) a divorce decree or court order ending the marriage or legally-sanctioned domestic partnership or civil union of the Insureds to one another,
- (2) business dissolution, if this Policy is owned by a corporation or partnership, or
- (3) any other reason subject to Our consent

and subject to the following conditions:

- (1) this Policy is in force, and
- (2) the Request is made before the Policy Anniversary when the older of the Insureds is age 85.

The date of exchange will be the date We receive Your Request. Each new policy will be subject to the following conditions:

- (1) It must be a whole life plan then available, and at least one plan will be made available.
- (2) The policy date and issue date of each new policy will be the date of exchange.
- (3) The Basic Amount of each new policy will equal one half of the Basic Amount of this Policy, unless otherwise requested and We agree.
- (4) The Cash Surrender Value for the original Policy will be applied as first year premium to each new policy in the same proportion as the Basic Amount is split. Any remaining Cash Surrender Value not needed for this purpose will be paid in cash to You when the split is complete.
- (5) The premium will be based on each insured's attained age as of the date of exchange and sex and Class of Risk shown on page 3 of this Policy. The Class of Risk will be the same as for this Policy.
- (6) All limitations of this Policy will be part of each new policy.
- (7) The Incontestability and Limited Death Benefit provisions of each new policy will not extend beyond the periods as described in the Incontestability and Limited Death Benefit provisions in this Policy.
- (8) Each new policy may include riders subject to evidence of insurability and availability.

Coverage under this Policy and any Riders will terminate on the date of exchange.

## OWNERSHIP PROVISIONS

**Owner.** The Owner is as named in the Application, unless changed. You may exercise any policy provision only by Request and while both Insureds are alive, subject to any rights of any assignee that We have on record and to the rights of any irrevocably designated Beneficiary. You may be eligible to exercise the Survivor provisions by Request upon the first death of the Insureds.

If Insured 1 is the Owner and Insured 1 dies first, Insured 2 will be the Owner, unless changed. If Insured 2 is the Owner and Insured 2 dies first, Insured 1 will be the Owner, unless changed. If the Owner is neither of the Insureds, the Successor Owner will become the Owner of this Policy if You die while this Policy is in force.

**Change of Owner/Successor Owner.** You may change the Owner or Successor Owner by Request while Insured 1 and Insured 2 are alive and this Policy is in force. The change will take effect the date You sign the Request, unless You specify a later date. The change will not affect any action We have taken before We receive the Request. A change of Owner or Successor Owner does not change the Beneficiary Designation.

## DEATH BENEFIT AND DEATH BENEFIT OPTIONS PROVISIONS

**Death Benefit.** The amount of Death Benefit is an amount of insurance based on the Death Benefit Option shown on page 3 plus any insurance amounts payable under any Riders on the Insureds and the part of the Cost of Insurance for the part of the Policy Month beyond the first death of the Insureds less any Loan, accrued Loan Interest, and, if either of the Insureds die during the Grace Period, the Monthly Deductions from the start of the Grace Period.

**Death Benefit Options.** There are two Death Benefit Options. If You do not choose an option, We will use Option 2. The Account Value on the date of death is used in determining the amount of insurance. If the Death Benefit Option is Option 2 on the Policy Anniversary when the older of the Insureds is age 121, the Death Benefit Option will automatically be changed to Option 1.

**Option 1.** The amount of insurance will be the greater of:

- (1) the Basic Amount plus Net Premium Payment received since the last Deduction Date plus interest earned on that Net Premium Payment or
- (2) a percentage of the Account Value, as indicated in the "Minimum Death Benefit Percentage of Account Value Table" shown on page 4.

**Option 2.** The amount of insurance will be the greater of:

- (1) the Basic Amount plus the Account Value or
- (2) a percentage of the Account Value, as indicated in the "Minimum Death Benefit Percentage of Account Value Table" shown on page 4.

<b>DEATH BENEFIT AND DEATH BENEFIT OPTIONS PROVISIONS (CONTINUED)</b>
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**Change in Basic Amount.** Basic Amount changes are limited to one each Policy Year by Request. However, any increase in the Basic Amount required due to a payment that would increase the Policy's Death Benefit more than it increases the Account Value will not count against this limit. The minimum amount of change is shown on page 3. For any change in Basic Amount, We will send You revised pages 3 and 4 to be placed with this Policy.

For a Basic Amount Increase, an Application must be completed, evidence of insurability satisfactory to Us must be furnished, and there must be enough Cash Surrender Value to make a Monthly Deduction which includes the Cost of Insurance for the Basic Amount Increase. No Basic Amount Increase will be allowed after the Policy Anniversary when the older of the Insureds is age 85. The revised pages 3 and 4 will show the amount of the Basic Amount Increase, its Effective Date, Maximum Monthly Cost of Insurance Rates for the Basic Amount Increase if the Class of Risk for the Basic Amount Increase is different, the additional Surrender Charges, and any change in Planned Premium.

For a Basic Amount Decrease, the Basic Amount remaining after the decrease cannot be less than the Basic Amount Minimum. We reserve the right to not accept a Request for a Basic Amount Decrease if such decrease could result in this Policy being disqualified as a life insurance contract under any section of, regulation or ruling under, the Code. Any decrease will first be used to reduce the most recent Basic Amount Increase. Then, the next most recent Basic Amount Increases will be reduced. Finally, the Initial Basic Amount will be reduced. The revised pages 3 and 4 will show the amount of decrease, its Effective Date, and any changes in Planned Premium and Surrender Charges. The Basic Amount Decrease will take effect on the date We receive the Request.

**Change of Death Benefit Option.** You may change a Death Benefit Option once each Policy Year by Request prior to the Policy Anniversary when the older of the Insureds is age 121. The change will take effect the date We receive Your Request. For a change in Death Benefit Option, We will send You revised pages 3 and 4 to be placed with this Policy. The revised pages will show the new Death Benefit Option and the Effective Date of the change.

If the change is to Death Benefit Option 1, the Basic Amount will be increased by the amount of Account Value on the Effective Date of the change. We reserve the right to not accept Your Request for a change to Death Benefit Option 1 if such change could result in this Policy being disqualified as a life insurance contract under any section of, regulation or ruling under, the Code.

If the change is to Death Benefit Option 2, the Basic Amount will be decreased by the Account Value on the Effective Date of the decrease.

## SURVIVOR PROVISIONS

**Survivor Purchase Option.** The Survivor Purchase Option is available for 90 days after the first death of the Insureds if the first death of the Insureds occurs:

- (1) while this Policy is in force and
- (2) before the policy anniversary when the Survivor is age 75.

If the Survivor Purchase Option is available, You are eligible to send Us a Request to buy a new policy on the Survivor without evidence of insurability subject to the following:

- (1) We must receive a Request during the Survivor's lifetime,
- (2) the Request must be signed by the Survivor,
- (3) We must receive the Request before the 91st day after the first death of the Insureds, and
- (4) We must receive at least the first premium for the new policy.

The effective date of the new policy will be the 91st day after the first death of the Insureds.

The new policy will be subject to the following conditions:

- (1) It must be a whole life plan then available. At least one plan will be made available.
- (2) The amount of insurance can be no more than the Survivor Insurance Amount.
- (3) The premium will be based on the Survivor's attained age on the first death of the Insureds, sex, and Class of Risk shown on page 3. The Class of Risk will be the same as for this Policy.
- (4) All limitations of this Policy will be part of the new policy.
- (5) The Incontestability and Limited Death Benefit provisions of the new policy will not extend beyond the periods as described in the Incontestability and Limited Death Benefit provisions in this Policy.

If the Survivor dies while the Survivor Purchase Option is available, We will pay the Survivor Insurance Amount to the Beneficiaries of the Survivor after due proof is received that the Survivor died.

## PREMIUM PROVISIONS

**Payment of Premiums.** You may pay premiums at Our Home Office or to one of Our agents. We will give You a receipt signed by one of Our Officers, if You request one. The Initial Premium, shown on page 3, is due on the Policy Date. All other premiums may be paid in any amount and at any time prior to the Policy Anniversary when the older of the Insureds is age 121 if:

- (1) the amount is at least \$40;
- (2) in a Policy Year, the total premiums, excluding the Initial Premium, do not exceed without Our consent, the total Planned Premiums for a Policy Year; and
- (3) no premium or part of any premium paid would be rejected for tax purposes.

On and after the Policy Anniversary when the older of the Insureds is age 121, no premium will be accepted other than premiums required to keep this Policy in force under the Grace Period.

We reserve the right to request evidence of insurability and require an Increase in Basic Amount and/or reject premium if the premium payment would increase the Policy's Death Benefit more than it increases the Account Value.

<b>PREMIUM PROVISIONS (CONTINUED)</b>
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**Premium Charge.** The Premium Charge Percentage times the amount of the premium received is the Premium Charge. The actual Premium Charge Percentage will be determined as described in the Changes in Rates and Charges provision. Such percentage cannot exceed the Maximum Premium Charge Percentage shown on page 3.

**Rejection of Premium Payments for Tax Purposes.** We reserve the right to reject any premium or part of any premium paid if such premium amount would result in this Policy being disqualified as a life insurance contract under any section of, regulation or ruling under, the Code. We will promptly return any rejected premium. No Premium Charge will be deducted from the rejected premium. No premium will be rejected if it is necessary to continue coverage.

**Grace Period.** A Grace Period is 61 days and starts on a Deduction Date as specified below. We will mail a notice to You and any assignee of record at least 31 days prior to the end of the Grace Period. The notice will state:

- (1) this Policy will remain in force until the end of the Grace Period,
- (2) the date the Grace Period ends, and
- (3) this Policy will terminate and lapse without value unless the required amount is paid prior to that date.

Prior to the Policy Anniversary when the older of the Insureds is age 121, the Grace Period will start on any Deduction Date if the Cash Surrender Value is not enough to cover the Monthly Deduction on that Deduction Date. On and after the Policy Anniversary when the older of the Insureds is age 121, the Grace Period will start on any Deduction Date if the Account Value is less than the Loan plus accrued Loan Interest. If the Grace Period ends prior to the Policy Anniversary when the older of the Insureds is age 121, the required amount is a premium large enough to provide an increase in the Cash Surrender Value to cover the Monthly Deductions for the Grace Period and any increase in the Surrender Charges. If the Grace Period ends on or after the Policy Anniversary when the older of the Insureds is age 121, the required amount must be a payment large enough to cover the Loan plus accrued Loan Interest that is in excess of the Account Value at the end of the Grace Period.

**Reinstatement.** If this Policy is terminated at the end of the Grace Period, You may apply to reinstate it within 5 years after lapse. You must give Us proof of insurability of both Insureds that is satisfactory to Us. You must pay an amount specified below:

- (1) If reinstatement is applied for prior to the Policy Anniversary when the older of the Insureds is age 121, the premium must be large enough to provide an increase in the Account Value over the amount We reinstate so that the Cash Surrender Value will cover the Monthly Deductions for the Grace Period and keep this Policy in force for 2 months following the date the reinstatement takes effect.
- (2) If reinstatement is applied for on or after the Policy Anniversary when the older of the Insureds is age 121, the payment must be large enough to cover the accrued Loan Interest in excess of the Account Value less the Loan on the date the reinstatement takes effect.

Reinstatement will take effect on the date We approve the Application for reinstatement. The amount of any Loan and accrued Loan Interest on the date of lapse will be reinstated when reinstatement takes effect. No interest from the date of lapse to date of reinstatement is included in that amount. We will reinstate the amount of the Policy's Account Value equal to the Policy's Account Value on the date of lapse less any decrease in the amount of any Surrender Charge between the date of lapse and the date of reinstatement.



## GUARANTEED VALUES PROVISIONS

**Account Value.** The Account Value on the Policy Date is the Initial Net Premium less the Monthly Deduction for the first Policy Month.

The Account Value on any Deduction Date after the Policy Date is the Account Value on the prior Deduction Date:

- (1) plus any Net Premium Payments received since the prior Deduction Date,
- (2) less the deduction for the Cost of Insurance and the Monthly Issue Charge for any Basic Amount Increase and the Monthly Charges for any Riders that became effective since the prior Deduction Date,
- (3) less any Withdrawals since the prior Deduction Date,
- (4) less the current Monthly Deduction,
- (5) plus any dividend paid and added to the Account Value on the current Deduction Date, and
- (6) plus any interest accrued since the prior Deduction Date.

The Account Value on any other date is the Account Value on the prior Deduction Date:

- (1) plus any Net Premium Payments received since the prior Deduction Date,
- (2) less the deduction for the Cost of Insurance and the Monthly Issue Charge for any Basic Amount Increase and the Monthly Charges for any Riders that became effective since the prior Deduction Date,
- (3) less any Withdrawals since the prior Deduction Date, and
- (4) plus any interest accrued since the prior Deduction Date.

**Monthly Deduction.** This deduction is made on each Deduction Date prior to the Policy Anniversary when the older of the Insureds is age 121, whether or not premiums are paid, as long as the Cash Surrender Value is sufficient to cover that Monthly Deduction. Each Monthly Deduction includes:

- (1) the Cost of Insurance,
- (2) the Monthly Charges for any Riders,
- (3) the Monthly Expense Charge, and
- (4) the Monthly Issue Charge, if applicable.

No Monthly Deduction will be made on or after the Policy Anniversary when the older of the Insureds is age 121.

**Cost of Insurance.** This cost is calculated each Policy Month prior to the Policy Anniversary when the older of the Insureds is age 121. The cost is determined separately for the Initial Basic Amount and each Basic Amount Increase.

The Cost of Insurance is the Monthly Cost of Insurance Rate times the difference between (1) and (2) where:

- (1) is the amount of insurance attributable to the Initial Basic Amount or Basic Amount Increase, as applicable, on the Deduction Date at the start of the Policy Month divided by the Insurance Discount Factor shown on page 3; and
- (2) is the Account Value attributable to the Initial Basic Amount or Basic Amount Increase, as applicable, on the Deduction Date at the start of the Policy Month after the deduction of the part of the Monthly Deduction that does not include the Cost of Insurance and the Monthly Charge for any waiver of monthly deduction benefit riders.

Until the Account Value exceeds the Initial Basic Amount, the Account Value is part of the Initial Basic Amount. Once the Account Value exceeds that amount, if there have been any Basic Amount Increases, the excess will be part of the increases in the order in which the increases occurred.

<b>GUARANTEED VALUES PROVISIONS (CONTINUED)</b>
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**Monthly Cost of Insurance Rates.** These rates for each Policy Year are based on the age on the Policy Anniversary, sex, and applicable Class of Risk of each of the Insureds. A Class of Risk for each of the Insureds will be determined for the Initial Basic Amount and for each Basic Amount Increase. The rates shown on page 4 are the Maximum Monthly Cost of Insurance Rates for the Initial Basic Amount. Maximum Monthly Cost of Insurance Rates will be provided for each Basic Amount Increase. The actual Monthly Cost of Insurance Rates will be determined as described in the Changes in Rates and Charges provision. Such rates cannot exceed the Maximum Monthly Cost of Insurance Rates and cannot be changed more than once a calendar year.

**Monthly Expense Charge.** The Maximum Monthly Expense Charge is shown on page 3. The actual Monthly Expense Charge will be determined as described in the Changes in Rates and Charges provision. The actual Monthly Expense Charge cannot exceed the maximum.

**Monthly Issue Charge.** The Maximum Monthly Issue Charge is shown on page 3. The actual Monthly Issue Charge will be determined as described in the Changes in Rates and Charges provision. The actual Monthly Issue Charge cannot exceed the maximum. A Monthly Issue Charge is determined separately for the Initial Basic Amount and each Basic Amount Increase.

**Interest Credited.** We guarantee to credit interest to the Account Value. The actual effective annual rate will be determined as described in the Changes in Rates and Charges provision. Such rate will not be less than the Guaranteed Interest Rate shown on page 3. The rate applied to the Account Value up to the amount of any Loan may differ from the rate applied to the Account Value in excess of the amount of the Loan.

On and after the Policy Anniversary when the older of the Insureds is age 121, the Guaranteed Interest Rate will be credited to the Account Value.

Once credited, interest is nonforfeitable except indirectly due to the deduction of any Surrender Charge.

**Surrender Charges.** The Schedule of Surrender Charges is shown on page 4. For each Basic Amount Increase, additional Surrender Charges will apply. The revised page 4 will show a revised Schedule of Surrender Charges which includes those additional charges.

Upon reinstatement, the Surrender Charges will be adjusted for any Surrender Charge deducted at the time of lapse. The revised page 4 will show a schedule of the adjusted Surrender Charges.

## SURRENDER AND WITHDRAWALS PROVISIONS

**Surrender.** You may surrender this Policy at any time by Request. This Policy will terminate on the date We receive Your Request or later date if You so request it. We will pay You the Cash Surrender Value as of the date coverage ceases plus the Monthly Deduction for the part of the Policy Month beyond that date. See the Surrender Charge provision regarding the Surrender Charges applicable.

**Withdrawals.** You may withdraw part of the Cash Surrender Value by Request at any time while this Policy is in force. No more than 4 Withdrawals can be made in any Policy Year. The Minimum Withdrawal Amount is shown on page 3. The withdrawal is effective on the date We receive Your Request or a later date, if You so request it. As of that date, the Account Value is reduced by the amount of the withdrawal.

If You request a Basic Amount Decrease or a Change in Death Benefit Option at the same time You request a withdrawal, We will process the withdrawal before processing either the Basic Amount Decrease or the Change in Death Benefit Option.

If Death Benefit Option 1 is in effect, then the Basic Amount will be reduced by the amount of the withdrawal. The effective date of the reduction will be the date of the withdrawal. The reduction will be made as if a Basic Amount Decrease had been requested.

We reserve the right to reject Your Request for a withdrawal if Your Request would reduce the Basic Amount below the Basic Amount Minimum. We reserve the right to reject Your Request for a withdrawal if the withdrawal would result in this Policy being disqualified as a life insurance contract under any section of, ruling or regulation under, the Code.

## POLICY LOAN PROVISIONS

**Loan.** You may borrow against this Policy at any time while this Policy is in force. This Policy is the sole security for such Loan. You may borrow the Loan Value less:

- (1) any existing Loan,
- (2) accrued Loan Interest, and
- (3) the next 2 months of Monthly Deductions.

If Your unpaid Loan plus accrued Loan Interest exceeds the Loan Value on any Deduction Date, the Grace Period provision will apply.

**Loan Value.** The Loan Value is the Cash Value of this Policy.

**Loan Interest.** Interest accrues and is payable each day at a rate of 6% a year in Policy Years 1-10, 5% a year in Policy Years 11-20, and 4.5% a year in Policy Years 21 and later. Any interest not paid is added to the Loan on each Policy Anniversary.

**Loan Repayment.** You may repay all or part of a Loan at any time before the first death of the Insureds or this Policy is surrendered or terminated. Prior to the Policy Anniversary when the older of the Insureds is age 121, You must tell Us that it is for repayment or We will assume that it is a premium payment. If this Policy has a Loan on or after the Policy Anniversary when the older of the Insureds is age 121, only a repayment of Loan will be accepted.

## PAYMENT OF BENEFITS PROVISIONS

**Beneficiary Designation.** This is as shown in the Application for each of the Insureds, unless You have made a change by Request. It includes the name of the Beneficiary. If You name "estate" as a Beneficiary, it means the executors or administrators of the last survivor of You and all Beneficiaries. If You name "children" of a person as a Beneficiary, only children born to or legally adopted by that person will be included. We may rely on an affidavit as to the ages, names, and other facts about all Beneficiaries. We will incur no liability if We act on such affidavit.

**Change of Beneficiary Designation.** You may make a change by Request while both Insureds are alive and this Policy is in force. The change will take effect on the date Your Request is signed, unless You specify a later date. The change will not affect any action We have taken before We receive the Request. To change a named irrevocable Beneficiary, the Request must include a written statement from the irrevocable Beneficiary who is being changed.

**Order of Payment on Death.** We will make payment of the Proceeds in equal shares to the primary Beneficiaries of the first Insured to die then living when payment is made. If the last primary dies, We will make payment in equal shares to the successor Beneficiaries of the first Insured to die then living when payment is made. If, at any time, no Beneficiary is living, We will make a one sum payment to You, if living when payment is made. Otherwise, We will make a one sum payment to the estate of the last survivor of You and all Beneficiaries of the first Insured to die. You may change this order of payment by Request while both Insureds are alive.

**Methods of Payment.** We will pay the Proceeds, the Survivor Insurance Amount, or the Cash Surrender Value under the One Sum Method unless You choose another method then available. If the Payee is other than a natural person, We will make payment under the One Sum Method.

All payment intervals are measured from the date this Policy is surrendered or from the date of death.

If the Proceeds or the Survivor Insurance Amount is payable, a Payee who has the right to make a withdrawal may change the method of payment. This Payee may also appoint a successor payee. The successor payee may be the Payee's estate.

We must receive a Request for payment of the Proceeds or the Survivor Insurance Amount and due proof of death. Due proof of death is evidence satisfactory to Us:

- (1) to establish the date and fact of the first death of the Insureds or the death of the Survivor,
- (2) to permit Us to determine whether the Proceeds or the Survivor Insurance Amount is payable, and
- (3) such other items and information as may be necessary for Us to comply with laws and regulations related to payment of the claim or administration of the business of insurance.

**Method 1 (One Sum Method).** We will pay the Cash Surrender Value, the Proceeds, or the Survivor Insurance Amount in one sum. Interest will be paid from the date of death to the date of payment. The interest rate will be the greater of 2% a year or the interest rate required by law, if applicable.

**Method 2 (Other Method).** Payment by any other method may be made if We agree.

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#### **BASIC PLAN DESCRIPTION**

Flexible premium joint first to die adjustable life insurance. The Death Benefit is payable only on the first death of the Insureds. The Survivor Purchase Option is available if the first death is prior to the Policy Anniversary in which the Survivor is age 75. Flexible premiums are payable until the Policy Anniversary when the older of the Insureds is age 121. The Basic Plan is eligible for Annual Dividends.

<b>LEVEL TERM LIFE INSURANCE BENEFIT RIDER - INSURED 1</b>
--

**General.** This Rider is part of this Policy. It is based on the Application for this Rider and the deduction of the Monthly Charges for this Rider. Only certain policy provisions are a part of this Rider. They are "Definitions," "The Contract," "Changes in Rates and Charges," "Annual Dividends," "Assignment," "Error in Age or Sex," "Policy Split," "Ownership," "Grace Period," "Reinstatement," "Monthly Deduction," and "Payment of Benefits." Insured 1 is named on page 3 of this Policy. The provisions of this Rider apply in lieu of any other Policy provisions to the contrary. This Rider does not increase the Cash Value or Loan Value of this Policy.

**Level Term Life Insurance Benefit.** The amount of the Benefit is shown on page 3 of this Policy. This amount will be paid when due proof is received that Insured 1 died before this Rider terminated.

**Monthly Charges for this Rider.** The Maximum Monthly Charges for this Rider are shown per \$1000 on page 4 of this Policy. The Monthly Charges for each Policy Year are based on the age on the Policy Anniversary, sex, and Class of Risk of Insured 1 for this Rider. The actual Monthly Charges will be determined as described in the Changes in Rates and Charges provision. Such Monthly Charges cannot exceed the Maximum Monthly Charges for this Rider and cannot be changed more than once a calendar year.

**Conversion.** You may convert this Rider by Request to a new policy on Insured 1 without evidence of insurability subject to the following:

- (1) This Rider must be in force.
- (2) The conversion must occur on or before the later of the Policy Anniversary when Insured 1 is age 75 or the fifth Policy Anniversary after the Effective Date of this Rider.
- (3) The Request must include the first premium for the new policy.

The Effective Date of the new policy is the date We receive the Request. Pages 3 and 4 of this Policy will then be revised. Coverage under this Rider will terminate when the conversion occurs.

If Insured 2 dies while this Rider can be converted, the Request to convert must be received within 90 days after Insured 2 dies. The Effective Date of the new policy will be the day after the end of the 90-day period. Coverage under this Rider continues until the end of the 90-day period.

The new policy will be subject to the following conditions at the time of conversion:

- (1) It must be a whole life plan then available. At least one plan will be made available.
- (2) The amount of insurance can be no more than the amount then provided by this Rider.
- (3) The premium will be based on the attained age, sex, and Class of Risk of Insured 1. The Class of Risk will be the same as for this Rider.
- (4) All limitations of this Rider will be part of the new policy.
- (5) The Incontestability and Limited Death Benefit provisions in the new policy will not extend beyond the period as described in the Incontestability and Limited Death Benefit provisions in this Rider.



**LEVEL TERM LIFE INSURANCE BENEFIT RIDER - INSURED 1 (CONTINUED)**

**Termination.** This Rider will terminate on the earlier of the Policy Anniversary shown under Benefit Period Ends on page 3 of this Policy or the Policy Anniversary when Insured 1 is age 95. We will terminate this Rider before either of those dates:

- (1) when this Rider is converted,
- (2) when this Policy is terminated by surrender or lapse,
- (3) when this Policy is terminated by Policy Split, or
- (4) 90 days after the death of Insured 2.

You may terminate this Rider by Request. This Rider will terminate on the date We receive Your Request. We will revise pages 3 and 4 of this Policy to show this change.

**Incontestability.** We will not contest this Rider after it has been in force during the lifetime of Insured 1 for 2 years from the Effective Date of this Rider. We will not contest any reinstatement of this Rider after it has been in force during the lifetime of Insured 1 for 2 years from the Effective Date of any reinstatement. Any contest will be based upon statements made in the Application for this Rider that are material to the risk or hazard assumed by Us for such reinstatement.

**Limited Death Benefit.** If Insured 1 dies by suicide while sane or self-destruction while insane within 2 years from the Effective Date of this Rider, the Benefit will be limited to the actual Monthly Charges for this Rider that were deducted.

**Effective Date of this Rider.** This is the Policy Date unless a different date for this Rider is shown on page 3 of this Policy.

**State Farm Life Insurance Company**

[ *Edward B. Rust, Jr.* ]

President

[ *Lynne M. Youell* ]

Secretary

**SAMPLE**

<b>LEVEL TERM LIFE INSURANCE BENEFIT RIDER - INSURED 2</b>
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**General.** This Rider is part of this Policy. It is based on the Application for this Rider and the deduction of the Monthly Charges for this Rider. Only certain policy provisions are a part of this Rider. They are "Definitions," "The Contract," "Changes in Rates and Charges," "Annual Dividends," "Assignment," "Error in Age or Sex," "Policy Split," "Ownership," "Grace Period," "Reinstatement," "Monthly Deduction," and "Payment of Benefits." Insured 2 is named on page 3 of this Policy. The provisions of this Rider apply in lieu of any other Policy provisions to the contrary. This Rider does not increase the Cash Value or Loan Value of this Policy.

**Level Term Life Insurance Benefit.** The amount of the Benefit is shown on page 3 of this Policy. This amount will be paid when due proof is received that Insured 2 died before this Rider terminated.

**Monthly Charges for this Rider.** The Maximum Monthly Charges for this Rider are shown per \$1000 on page 4 of this Policy. The Monthly Charges for each Policy Year are based on the age on the Policy Anniversary, sex, and Class of Risk of Insured 2 for this Rider. The actual Monthly Charges will be determined as described in the Changes in Rates and Charges provision. Such Monthly Charges cannot exceed the Maximum Monthly Charges for this Rider and cannot be changed more than once a calendar year.

**Conversion.** You may convert this Rider by Request to a new policy on Insured 2 without evidence of insurability subject to the following:

- (1) This Rider must be in force.
- (2) The conversion must occur on or before the later of the Policy Anniversary when Insured 2 is age 75 or the fifth Policy Anniversary after the Effective Date of this Rider.
- (3) The Request must include the first premium for the new policy.

The Effective Date of the new policy is the date We receive the Request. Pages 3 and 4 of this Policy will then be revised. Coverage under this Rider will terminate when the conversion occurs.

If Insured 1 dies while this Rider can be converted, the Request to convert must be received within 90 days after Insured 1 dies. The Effective Date of the new policy will be the day after the end of the 90-day period. Coverage under this Rider continues until the end of the 90-day period.

The new policy will be subject to the following conditions at the time of conversion:

- (1) It must be a whole life plan then available. At least one plan will be made available.
- (2) The amount of insurance can be no more than the amount then provided by this Rider.
- (3) The premium will be based on the attained age, sex, and Class of Risk of Insured 2. The Class of Risk will be the same as for this Rider.
- (4) All limitations of this Rider will be part of the new policy.
- (5) The Incontestability and Limited Death Benefit provisions in the new policy will not extend beyond the period as described in the Incontestability and Limited Death Benefit provisions in this Rider.

<b>LEVEL TERM LIFE INSURANCE BENEFIT RIDER - INSURED 2 (CONTINUED)</b>
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**Termination.** This Rider will terminate on the earlier of the Policy Anniversary shown under Benefit Period Ends on page 3 of this Policy or the Policy Anniversary when Insured 2 is age 95. We will terminate this Rider before either of those dates:

- (1) when this Rider is converted,
- (2) when this Policy is terminated by surrender or lapse,
- (3) when this Policy is terminated by Policy Split, or
- (4) 90 days after the death of Insured 1.

You may terminate this Rider by Request. This Rider will terminate on the date We receive Your Request. We will revise pages 3 and 4 of this Policy to show this change.

**Incontestability.** We will not contest this Rider after it has been in force during the lifetime of Insured 2 for 2 years from the Effective Date of this Rider. We will not contest any reinstatement of this Rider after it has been in force during the lifetime of Insured 2 for 2 years from the Effective Date of any reinstatement. Any contest will be based upon statements made in the Application for this Rider that are material to the risk or hazard assumed by Us for such reinstatement.

**Limited Death Benefit.** If Insured 2 dies by suicide while sane or self-destruction while insane within 2 years from the Effective Date of this Rider, the Benefit will be limited to the actual Monthly Charges for this Rider that were deducted.

**Effective Date of this Rider.** This is the Policy Date unless a different date for this Rider is shown on page 3 of this Policy.

**State Farm Life Insurance Company**

[ *Edward B. Rust, Jr.* ]

President

[ *Lynne M. Youell* ]

Secretary

**SAMPLE**

## CHILDREN'S TERM LIFE INSURANCE BENEFIT RIDER

**General.** This Rider is part of this Policy. It is based on the Application for this Rider and a deduction of the Monthly Charges for this Rider. The Monthly Charges for this Rider are shown per \$1000 on page 4 of this Policy. Only certain policy provisions are a part of this Rider. They are "Definitions," "The Contract," "Annual Dividends," "Assignment," "Policy Split," "Ownership," "Grace Period," "Reinstatement," and "Monthly Deduction." "Ownership" is modified by "Ownership Modification." "Each Eligible Child" is used in place of "Insureds" in the Reinstatement provision when it applies to this Rider. The provisions of this Rider apply in lieu of any other Policy provisions to the contrary. This Rider does not increase the Cash Value or Loan Value of this Policy.

**Children's Term Life Insurance Benefit.** The amount of the Benefit is shown under the heading Insurance Amount on page 3 of this Policy. This amount will be paid when due proof is received that an Eligible Child died before this Rider terminated, after that Eligible Child was 15 days old, and before insurance on that Eligible Child terminated.

**Ownership Modification.** If the first of the Insureds to die is the Owner, the Survivor will become the Owner of this Rider when the first death of the Insureds occurs. Upon the death of the Survivor, each Eligible Child under age 25 will become joint owners of this Rider.

**Eligible Child Defined.** An eligible child is one who is named on the Application, is under age 18 on the Effective Date of this Rider, and meets one of the following conditions:

- (1) a child of both Insureds,
- (2) legally adopted by both Insureds,
- (3) a stepchild of one insured and a child of or a legally adopted child of the other insured, or
- (4) a child of one insured and a legally adopted child of the other insured.

After the Effective Date of this Rider, any child under age 18 that becomes eligible according to the above conditions will be an Eligible Child on the date the child meets one of the conditions.

**Paid-up Rider.** If either of the Insureds dies while this Rider is in force, even if such death results from suicide while sane or self destruction while insane, the Rider benefit becomes paid-up. The Paid-up Rider has cash values. When paid up, a table of cash values will be given, if requested. The cash values are at least as large as those required by law where this Rider is delivered. The cash value is the net level reserve for the paid-up term life insurance. The age last birthday and sex of each Eligible Child is used for calculating such reserve. The mortality table and interest rate that We use for this Paid-up Rider is shown on page 4 of this Policy. It is assumed that claims are paid immediately. Cash values will not decrease during the 31 days after a Policy Anniversary. There is no loan value. No dividends will be paid on the Paid-up Rider. The Paid-up Rider may be surrendered at any time by Request. All coverage ceases when We receive the Request. We will promptly pay the cash value in one sum. We may defer payment of any cash value for up to 6 months from the date We receive Your Request.

**Beneficiary.** When an Eligible Child dies, We will make payment to You, if then living. Otherwise, We will make payment to the child's estate. The payment will be in one sum. If more than one Owner is living at that time, We will make payment in equal shares. This provision may be changed by Request.

## CHILDREN'S TERM LIFE INSURANCE BENEFIT RIDER (CONTINUED)

**Purchase Option.** On an Eligible Child's eighteenth birthday, You may purchase a new policy on that child by Request. No evidence of insurability is required. We must receive that Request before that child dies and no later than 31 days after that child's eighteenth birthday. If that child dies within the 31-day period and before the new policy becomes effective, the Benefit will be paid as though the new policy were effective. The Effective Date of the new policy on that child will be the day after the end of the 31-day period. The new policy will be subject to the following conditions at the time of the purchase:

- (1) It must be a plan then available. At least one plan will be made available.
- (2) The amount of insurance can be no more than five times the amount then provided by this Rider.
- (3) The premium will be based on that child's attained age, sex, and standard Class of Risk then available.
- (4) All limitations of this Rider will be part of the new policy.
- (5) The Incontestability and Limited Death Benefit provisions in the new policy will not extend beyond the time period specified for the new policy but start on the Effective Date of this Rider.

**Conversion.** When the insurance on an Eligible Child terminates on that child's twenty-fifth birthday or on the Policy Anniversary shown under the heading Benefit Period Ends on page 3 of this Policy, such child may convert such insurance to a new policy by Request. No evidence of insurability is required. We must receive that Request before that child dies and no later than 31 days after the insurance terminates. If that child dies within the 31-day period and before the conversion becomes effective, the Benefit will be paid as though the insurance had not terminated. The Effective Date of the new policy on that child will be the day after the end of the 31-day period. The new policy will be subject to the following conditions at the time of conversion:

- (1) It must be a plan then available. At least one plan will be made available.
- (2) The amount of insurance can be no more than five times the amount then provided by this Rider.
- (3) The premium will be based on that child's attained age, sex, and standard Class of Risk then available.
- (4) All limitations of this Rider will be part of the new policy.
- (5) The Incontestability and Limited Death Benefit provisions in the new policy will not extend beyond the time period specified for the new policy but start on the Effective Date of this Rider.

**Termination.** This Rider will terminate on the Policy Anniversary shown under the heading Benefit Period Ends on page 3 of this Policy. We will terminate this Rider before that date when this Policy is terminated by Policy Split, surrender, lapse, or when We receive Your Request.

Insurance on an Eligible Child terminates on the earliest of:

- (1) the date this Rider terminates or
- (2) the date the child is age 25.

You may terminate this Rider by Request. This Rider will terminate on the date We receive Your Request. We will revise pages 3 and 4 of this Policy to show this change.

<b>CHILDREN'S TERM LIFE INSURANCE BENEFIT RIDER (CONTINUED)</b>
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**Incontestability.** We will not contest this Rider after it has been in force during the lifetime of each Eligible Child for 2 years from the Effective Date of this Rider. We will not contest any reinstatement of this Rider after it has been in force during the lifetime of each Eligible Child for 2 years from Effective Date of any reinstatement. Any contest will be based upon statements made in the Application for this Rider that are material to the risk or hazard assumed by Us for such reinstatement.

**Effective Date of this Rider.** This is the Policy Date unless a different date for this Rider is shown on page 3 of this Policy.

**State Farm Life Insurance Company**

[ *Edward B. Rust, Jr.* ]  
President

[ *Lynne M. Yauell* ]  
Secretary

**SAMPLE**

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<b>WAIVER OF MONTHLY DEDUCTION BENEFIT RIDER - INSURED 1</b>
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**General.** This Rider is part of this Policy. It is based on the Application for this Rider and the deduction of the Monthly Charges for this Rider. Only certain policy provisions are a part of this Rider. They are "Definitions," "The Contract," "Assignment," "Error in Age or Sex," "Policy Split," "Ownership," "Death Benefit and Death Benefit Options," "Survivor Purchase Option," "Grace Period," "Reinstatement," and "Monthly Deduction." The provisions of this Rider apply in lieu of any other Policy provisions to the contrary. This Rider does not increase Cash Value or Loan Value of this Policy.

**Monthly Charge for this Rider.** The Monthly Charge is (1) times (2) where:

- (1) is the total Monthly Deduction to which this benefit applies before the Monthly Charge for this Rider and any other Waiver of Monthly Deduction Benefit Rider attached to this Policy are added, and
- (2) is the Monthly Charge for this Rider for Insured 1 per dollar of Monthly Deduction.

The Monthly Charges per dollar of Monthly Deduction are shown on page 4.

**Waiver of Monthly Deduction Benefit.** We will waive Monthly Deductions for this Policy as defined below if Insured 1 becomes totally disabled as defined below while this Rider is in force and such Total Disability has existed for 6 continuous months during the lifetime of Insured 1 as follows:

- (1) If Insured 1 becomes totally disabled as defined below prior to the Policy Anniversary when Insured 1 is age 60, We will waive those Monthly Deductions until the Policy Anniversary when Insured 1 is age 65 as long as the Total Disability continues. If Insured 1 continues to be totally disabled as defined below on the Policy Anniversary when Insured 1 is age 65, We will waive all future Monthly Deductions.
- (2) If Insured 1 becomes totally disabled as defined below on or after the Policy Anniversary when Insured 1 is age 60 and prior to the Policy Anniversary when Insured 1 is age 62, We will waive those Monthly Deductions until the Policy Anniversary when Insured 1 is age 65 as long as the Total Disability continues. We will not waive any Monthly Deduction on or after the Policy Anniversary when Insured 1 is age 65.
- (3) If Insured 1 becomes totally disabled as defined below on or after the Policy Anniversary when Insured 1 is age 62 and prior to the Policy Anniversary when Insured 1 is age 65, We will waive those Monthly Deductions until the third Policy Anniversary after Total Disability starts as long as the Total Disability continues. We will not waive any Monthly Deduction on or after the third Policy Anniversary after Total Disability starts.

We will only waive Monthly Deductions on Deduction Dates on and after Total Disability starts. Any Monthly Deductions made after the Total Disability starts will be added to the Account Value, with interest; however, no Monthly Deductions will be included which were deducted more than one year prior to the date We receive notice of the claim. If Death Benefit Option 1 is in effect, it will be automatically changed to Death Benefit Option 2. The change in Death Benefit Option will be effective the date We start to waive Monthly Deductions. On the Policy Anniversary when the older of the Insureds is age 121, the Death Benefit Option will automatically be changed to Death Benefit Option 1.

No additional Monthly Deductions will be waived if We are already waiving the Monthly Deduction under any Waiver of Monthly Deduction Benefit Rider – Insured 2 attached to this Policy. Any increase in the Surrender Charges that would occur while the Total Disability continues will be waived.



<b>WAIVER OF MONTHLY DEDUCTION BENEFIT RIDER - INSURED 1 (CONTINUED)</b>
--

A recurrence of a Total Disability for Insured 1 for which We had been waiving Monthly Deductions will be deemed a continuation of the prior period of Total Disability if the recurrence:

- (1) results from the same injury or disease that caused the previous Total Disability;
- (2) starts within 6 months of the date the previous Total Disability ended; and
- (3) starts while this Rider is still in force.

Such recurrent Total Disability will not be subject to a new requirement that the Total Disability must first exist for 6 continuous months during the lifetime of Insured 1.

**Waiver of Premium for Survivor Purchase Option.** At the death of Insured 2, if Monthly Deductions are being waived under this Policy due to the Total Disability of Insured 1 and the Survivor Purchase Option is available, the new policy will be issued as a Whole Life Basic Plan and the premiums will be waived for the period of time as described under the Waiver of Monthly Deduction Benefit provision in this Rider.

**Total Disability Defined.** Total Disability is a condition caused by injury or disease. During the first 24 months after Total Disability starts, this condition must prevent Insured 1 from performing substantially all of the work of the regular occupation of Insured 1. After the first 24 months after Total Disability starts, the condition must prevent Insured 1 from performing substantially all of the work in any occupation for which Insured 1 is, or becomes, reasonably qualified based upon education, training, or experience. Total and irrecoverable loss, caused by injury or disease, of any of the following will be considered Total Disability even if Insured 1 is able to work:

- (1) sight in both eyes.
- (2) use of both hands.
- (3) use of both feet.
- (4) use of one hand and one foot.

**Disabilities Not Covered.** We will not waive Monthly Deductions if Total Disability:

- (1) starts before the Effective Date of this Rider unless such disability was disclosed in the Application,
- (2) starts on or after the Policy Anniversary when Insured 1 is age 65,
- (3) results from an intended self-injury, or
- (4) results from any act due to war whether or not Insured 1 is in the military service. "War" means declared or undeclared war or conflict involving the armed forces of one or more countries, governments, or international organizations.

**Notice and Proof of Total Disability.** We must receive notice of a claim and due proof of Total Disability while Insured 1 is alive and totally disabled and this Rider is in force. If this is not done, You should submit such notice and proof as soon as reasonably possible. We may also require You to submit proof of the continuing Total Disability of Insured 1 at reasonable intervals, but no more frequently than once every 30 days during the first 24 months after Total Disability starts. If You do not submit proof when We require it, no further Monthly Deductions will be waived. Failure to give such proof will not invalidate or diminish any claim if it can be shown that proof was given as soon as was reasonably possible. We will not require proof more than once a year after the Total Disability has lasted more than 2 years. We will not require proof after the Policy Anniversary when Insured 1 is age 65.

**WAIVER OF MONTHLY DEDUCTION BENEFIT RIDER - INSURED 1 (CONTINUED)**

**Premium Payments.** If the Total Disability of Insured 1 starts during a Grace Period, before We will approve a claim, a premium must be paid which is large enough to cover the Monthly Deductions plus any increase in the Surrender Charge from the start of the Grace Period through the Policy Month in which Total Disability starts.

Premiums, sufficient to keep this Policy in force until We approve the claim, are payable.

**Termination.** This Rider will terminate on the Policy Anniversary when Insured 1 is age 65 as shown on page 3 under Benefit Period Ends. We will terminate this Rider before that date on the first death of the Insureds or when this Policy terminates by Policy Split, surrender, lapse, or Your Request.

You may terminate this Rider by Request. This Rider will terminate the date We receive Your Request. We will revise pages 3 and 4 of this Policy to show this change.

Termination will not affect any claim for Total Disability which starts before termination.

**Incontestability.** We will not contest this Rider after it has been in force during the lifetime of Insured 1 for 2 years from the Effective Date of this Rider unless Insured 1 becomes totally disabled within that period. We will not contest any reinstatement of this Rider after it has been in force during the lifetime of Insured 1 for 2 years from the Effective Date of any reinstatement unless Insured 1 becomes totally disabled within that period. Any contest will be based upon statements made in the Application for this Rider that are material to the risk or hazard assumed by Us for such reinstatement.

**Effective Date of this Rider.** This is the Policy Date unless a different date for this Rider is shown on page 3.

**State Farm Life Insurance Company**

[ *Edward B. Rust, Jr.* ]  
President

[ *Lynne M. Youell* ]  
Secretary

**SAMPLE**

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<b>WAIVER OF MONTHLY DEDUCTION BENEFIT RIDER - INSURED 2</b>
--

**General.** This Rider is part of this Policy. It is based on the Application for this Rider and the deduction of the Monthly Charges for this Rider. Only certain policy provisions are a part of this Rider. They are "Definitions," "The Contract," "Assignment," "Error in Age or Sex," "Policy Split," "Ownership," "Death Benefit and Death Benefit Options," "Survivor Purchase Option," "Grace Period," "Reinstatement," and "Monthly Deduction." The provisions of this Rider apply in lieu of any other Policy provisions to the contrary. This Rider does not increase Cash Value or Loan Value of this Policy.

**Monthly Charge for this Rider.** The Monthly Charge is (1) times (2) where:

- (1) is the total Monthly Deduction to which this benefit applies before the Monthly Charge for this Rider and any other Waiver of Monthly Deduction Benefit Rider attached to this Policy are added, and
- (2) is the Monthly Charge for this Rider for Insured 2 per dollar of Monthly Deduction.

The Monthly Charges per dollar of Monthly Deduction are shown on page 4.

**Waiver of Monthly Deduction Benefit.** We will waive Monthly Deductions for this Policy as defined below if Insured 2 becomes totally disabled as defined below while this Rider is in force and such Total Disability has existed for 6 continuous months during the lifetime of Insured 2 as follows:

- (1) If Insured 2 becomes totally disabled as defined below prior to the Policy Anniversary when Insured 2 is age 60, We will waive those Monthly Deductions until the Policy Anniversary when Insured 2 is age 65 as long as the Total Disability continues. If Insured 2 continues to be totally disabled as defined below on the Policy Anniversary when Insured 2 is age 65, We will waive all future Monthly Deductions.
- (2) If Insured 2 becomes totally disabled as defined below on or after the Policy Anniversary when Insured 2 is age 60 and prior to the Policy Anniversary when Insured 2 is age 62, We will waive those Monthly Deductions until the Policy Anniversary when Insured 2 is age 65 as long as the Total Disability continues. We will not waive any Monthly Deduction on or after the Policy Anniversary when Insured 2 is age 65.
- (3) If Insured 2 becomes totally disabled as defined below on or after the Policy Anniversary when Insured 2 is age 62 and prior to the Policy Anniversary when Insured 2 is age 65, We will waive those Monthly Deductions until the third Policy Anniversary after Total Disability starts as long as the Total Disability continues. We will not waive any Monthly Deduction on or after the third Policy Anniversary after Total Disability starts.

We will only waive Monthly Deductions on Deduction Dates on and after Total Disability starts. Any Monthly Deductions made after the Total Disability starts will be added to the Account Value, with interest; however, no Monthly Deductions will be included which were deducted more than one year prior to the date We receive notice of the claim. If Death Benefit Option 1 is in effect, it will be automatically changed to Death Benefit Option 2. The change in Death Benefit Option will be effective the date We start to waive Monthly Deductions. On the Policy Anniversary when the older of the Insureds is age 121, the Death Benefit Option will automatically be changed to Death Benefit Option 1.

No additional Monthly Deductions will be waived if We are already waiving the Monthly Deduction under any Waiver of Monthly Deduction Benefit Rider – Insured 1 attached to this Policy. Any increase in the Surrender Charges that would occur while the Total Disability continues will be waived.

<b>WAIVER OF MONTHLY DEDUCTION BENEFIT RIDER - INSURED 2 (CONTINUED)</b>
--

A recurrence of a Total Disability for Insured 2 for which We had been waiving Monthly Deductions will be deemed a continuation of the prior period of Total Disability if the recurrence:

- (1) results from the same injury or disease that caused the previous Total Disability;
- (2) starts within 6 months of the date the previous Total Disability ended; and
- (3) starts while this Rider is still in force.

Such recurrent Total Disability will not be subject to a new requirement that the Total Disability must first exist for 6 continuous months during the lifetime of Insured 2.

**Waiver of Premium for Survivor Purchase Option.** At the death of Insured 1, if Monthly Deductions are being waived under this Policy due to the Total Disability of Insured 2 and the Survivor Purchase Option is available, the new policy will be issued as a Whole Life Basic Plan and the premiums will be waived for the period of time as described under the Waiver of Monthly Deduction Benefit provision in this Rider.

**Total Disability Defined.** Total Disability is a condition caused by injury or disease. During the first 24 months after Total Disability starts, this condition must prevent Insured 2 from performing substantially all of the work of the regular occupation of Insured 2. After the first 24 months after Total Disability starts, the condition must prevent Insured 2 from performing substantially all of the work in any occupation for which Insured 2 is, or becomes, reasonably qualified based upon education, training, or experience. Total and irrecoverable loss, caused by injury or disease, of any of the following will be considered Total Disability even if Insured 2 is able to work:

- (1) sight in both eyes.
- (2) use of both hands.
- (3) use of both feet.
- (4) use of one hand and one foot.

**Disabilities Not Covered.** We will not waive Monthly Deductions if Total Disability:

- (1) starts before the Effective Date of this Rider unless such disability was disclosed in the Application,
- (2) starts on or after the Policy Anniversary when Insured 2 is age 65,
- (3) results from an intended self-injury, or
- (4) results from any act due to war whether or not Insured 2 is in the military service. "War" means declared or undeclared war or conflict involving the armed forces of one or more countries, governments, or international organizations.

**Notice and Proof of Total Disability.** We must receive notice of a claim and due proof of Total Disability while Insured 2 is alive and totally disabled and this Rider is in force. If this is not done, You should submit such notice and proof as soon as reasonably possible. We may also require You to submit proof of the continuing Total Disability of Insured 2 at reasonable intervals, but no more frequently than once every 30 days during the first 24 months after Total Disability starts. If You do not submit proof when We require it, no further Monthly Deductions will be waived. Failure to give such proof will not invalidate or diminish any claim if it can be shown that proof was given as soon as was reasonably possible. We will not require proof more than once a year after the Total Disability has lasted more than 2 years. We will not require proof after the Policy Anniversary when Insured 2 is age 65.

<b>WAIVER OF MONTHLY DEDUCTION BENEFIT RIDER - INSURED 2 (CONTINUED)</b>
--

**Premium Payments.** If the Total Disability of Insured 2 starts during a Grace Period, before We will approve a claim, a premium must be paid which is large enough to cover the Monthly Deductions plus any increase in the Surrender Charge from the start of the Grace Period through the Policy Month in which Total Disability starts.

Premiums, sufficient to keep this Policy in force until We approve the claim, are payable.

**Termination.** This Rider will terminate on the Policy Anniversary when Insured 2 is age 65 as shown on page 3 under Benefit Period Ends. We will terminate this Rider before that date on the first death of the Insureds or when this Policy terminates by Policy Split, surrender, lapse, or Your Request.

You may terminate this Rider by Request. This Rider will terminate the date We receive Your Request. We will revise pages 3 and 4 of this Policy to show this change.

Termination will not affect any claim for Total Disability which starts before termination.

**Incontestability.** We will not contest this Rider after it has been in force during the lifetime of Insured 2 for 2 years from the Effective Date of this Rider unless Insured 2 becomes totally disabled within that period. We will not contest any reinstatement of this Rider after it has been in force during the lifetime of Insured 2 for 2 years from the Effective Date of any reinstatement unless Insured 2 becomes totally disabled within that period. Any contest will be based upon statements made in the Application for this Rider that are material to the risk or hazard assumed by Us for such reinstatement.

**Effective Date of this Rider.** This is the Policy Date unless a different date for this Rider is shown on page 3.

**State Farm Life Insurance Company**

[ *Edward B. Rust, Jr.* ]

President

[ *Lynne M. Youell* ]

Secretary

**SAMPLE**

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## GUARANTEED INSURABILITY OPTION BENEFIT RIDER

**General.** This Rider is part of this Policy. It is based on the Application for this Rider and the deduction of the Monthly Charges for this Rider. The Monthly Charges per \$1000 are shown on page 4 of this Policy. Only certain policy provisions are a part of this Rider. They are "Definitions," "The Contract," "Assignment," "Error in Age or Sex," "Policy Split," "Ownership," "Grace Period," "Reinstatement," "Monthly Deduction," and "Payment of Benefits." The provisions of this Rider apply in lieu of any other Policy provisions to the contrary. This Rider does not increase the Cash Value or Loan Value of this Policy.

**Guaranteed Insurability Option Benefit.** Option Years for this Benefit are shown on page 3 of this Policy. An Option Date is the Policy Anniversary in an Option Year. On each Option Date before termination, You may increase the Basic Amount if both Insureds are alive on the Option Date. We must receive an Application for the Basic Amount Increase within the 60-day period that ends on the Option Date. Evidence of insurability is not required. The Basic Amount Increase will become effective on the Option Date. The Basic Amount Increase will be subject to the following conditions on the Option Date:

- (1) The amount of Basic Amount Increase must be at least \$50,000 but can be no more than the amount for this Rider shown under the heading Insurance Amount on page 3 of this Policy.
- (2) The monthly cost of insurance rates for the Basic Amount Increase will be based on the attained age, sex, and standard Class of Risk then available for each of the Insureds.
- (3) All limitations that apply to this Policy on the Effective Date of this Rider will apply to the Basic Amount Increase. Any limitations that We place on such policies then being issued will apply to the Basic Amount Increase.
- (4) We will not contest the Basic Amount Increase after this Rider has been in force during the lifetime of the Insureds for 2 years from the Effective Date of this Rider.
- (5) If this policy then includes a waiver of monthly deduction benefit rider on each insured and a Monthly Deduction is then being waived, the Monthly Deduction for the Basic Amount Increase will be waived while total disability continues.

**Named Event.** There is a 90-day period of term life insurance payable on the first death of the Insureds. It starts when a Named Event occurs. A Named Event is:

- (1) the marriage or legally-sanctioned civil union or domestic partnership of the Insureds to one another,
- (2) a live birth of a child to both Insureds, or
- (3) the effective date of a legal adoption of a child by both Insureds.

The term life insurance provided is equal to the initial amount of this Rider. If a multiple birth occurs, this amount is multiplied by the number of live children born at that time. The amount will be paid when due proof is received that a Named Event occurred and the first death of the Insureds occurred within the 90-day period and before this Rider terminated. The amount will be paid as part of the Proceeds.

**Advance of Option Date.** When term insurance under the Named Event provision is in effect, the next available Option Date may be advanced to the day after the end of the 90-day period. The amount of the Basic Amount Increase can be no more than the amount of term insurance then provided. If a Basic Amount Increase becomes effective, the Option Date that is advanced will be canceled. To advance the Option Date, We must receive due proof that a Named Event occurred.



## GUARANTEED INSURABILITY OPTION BENEFIT RIDER (CONTINUED)

**Termination.** This Rider will terminate on the Policy Anniversary shown under the heading Benefit Period Ends shown on page 3 of this Policy. We will terminate this Rider before that date on the first death of the Insureds; when this Policy is terminated by Policy Split, surrender or lapse; or when any waiver of monthly deduction benefit rider is terminated on one or both Insureds.

You may terminate this Rider by Request. This Rider will terminate the date We receive Your Request. We will revise pages 3 and 4 of this Policy to show this change.

**Incontestability.** We will not contest this Rider after it has been in force during the lifetime of the Insureds for 2 years from the Effective Date of this Rider. We will not contest any reinstatement of this Rider after it has been in force during the lifetime of the Insureds for 2 years from the Effective Date of any reinstatement. Any contest will be based upon statements made in the Application for this Rider that are material to the risk or hazard assumed by Us for such reinstatement.

**Limited Death Benefit.** If the first death of the Insureds is by suicide while sane or self-destruction while insane within 2 years from the Effective Date of this Rider, the Benefit will be limited to the Monthly Charges for this Rider that were deducted.

**Effective Date of this Rider.** This is the Policy Date unless a different date for this Rider is shown on page 3 of this Policy.

State Farm Life Insurance Company

[ *Edward B. Rust, Jr.* ]

President

[ *Lynne M. Youell* ]

Secretary

SAMPLE



State Farm Life Insurance Company  
One State Farm Plaza, Bloomington, IL 61710-0001

Doc  
Type: **01** Check Digit

## Application for Individual Life Insurance

### 1. Type of Application *(Check one)*

- a. ☒ New Business
- b. ☐ Change of Plan/Added Benefits ☐ Universal Life/First to Die Increase  
☐ Term Conversion with Increase in Amount ☐ Select Term Re-entry
- Existing Plan Number(s): \_\_\_\_\_

### 2. Proposed Insured 1 *(Print name in full)*

<input checked="" type="radio"/> Mr.	Last Name	First Name		Middle Initial				
a. <input type="radio"/> Ms.	[Doe]	[John]		[J]				
Mailing Address		City		State	ZIP Code			
b. [123 Main St.]		[Bloomington]		[AR]	[61701]			
Social Security or Tax Identification Number		Driver's License Number		State	Sex	Birth Date (mm/dd/yyyy)	Age	
c. [000-00-0000]		[D000-0000-0000]		[AR]	[M]	[08-21-1966]	[35]	
Marital Status		Height	Weight	State of Birth	United States or Canadian Citizen?	Yes	No	
d. [Married]		[6' 2"]	[195]	[IL]		<input checked="" type="radio"/>	<input type="radio"/>	
Occupation		Employer's Name						
e. [Attorney]		[Self]						
Do job duties involve work in one of the following occupation categories: amusement, sports, construction, explosives, diving, liquor, logging, mining, gas, or oil? <i>(If yes, explain exact duties.)</i>							Yes	No
							<input type="radio"/>	<input checked="" type="radio"/>
f. _____								

### 3. Proposed Insured 2 *(Additional Insured or Payor, print name in full)*

<input type="radio"/> Mr.	Last Name	First Name		Middle Initial				
a. <input checked="" type="radio"/> Ms.	[Doe]	[Jane]		[A]				
Social Security or Tax Identification Number		Driver's License Number		State	Sex	Birth Date (mm/dd/yyyy)	Age	
b. [000-00-0000]		[D000-0000-0000]		[AR]	[F]	[07-19-1966]	[35]	
Marital Status		Height	Weight	State of Birth	United States or Canadian Citizen?	Yes	No	
c. [Married]		[5' 6"]	[135]	[IL]		<input checked="" type="radio"/>	<input type="radio"/>	
Occupation		Employer's Name						
d. [Attorney]		[Self]						
Do job duties involve work in one of the following occupation categories: amusement, sports, construction, explosives, diving, liquor, logging, mining, gas, or oil? <i>(If yes, explain exact duties.)</i>							Yes	No
							<input type="radio"/>	<input checked="" type="radio"/>
e. _____								

### 4. Applicant/Owner *(Complete 4 if not Proposed Insured 1, print name in full)*

Last Name		First Name		Middle Initial	Social Security or Tax Identification Number	
a. _____						
Mailing Address		City		State	ZIP Code	
b. _____						
<b>Successor Owner</b> <i>(Required unless the Applicant/Owner is a Trust or Corporation)</i>						
Last Name		First Name		Middle Initial		
c. _____						

## 5. Complete 5 if Proposed Insured is under age 16

- a. Is Proposed Insured to be Owner at and after age 21? Yes ☐ No ☐
- b. Give amount of insurance in force on: *(If none, so indicate.)*  
Father \$ \_\_\_\_\_ Mother \$ \_\_\_\_\_

## 6. Coverages Applied For *(Do not complete 6-8 if applying for Universal Life / First to Die / Second to Die.)*

a. Amount Applied For: \$ \_\_\_\_\_

### Basic Plan coverage applied for:

- |   |   |   |
|---|---|---|
| <input type="radio"/> Whole Life          | <input type="radio"/> Term to Age 95 - 10 | <input type="radio"/> Return of Premium Term - 20 |
| <input type="radio"/> Single Premium Life | <input type="radio"/> Term to Age 95 - 20 | <input type="radio"/> Return of Premium Term - 30 |
| <input type="radio"/> 10 Pay Life         | <input type="radio"/> Term to Age 95 - 30 | <input type="radio"/> Decreasing Term - 15        |
| <input type="radio"/> 15 Pay Life         | <input type="radio"/> 5 Year Term         | <input type="radio"/> Decreasing Term - 30        |
| <input type="radio"/> 20 Pay Life         |   |   |

b. Riders/Benefits applied for: *(Check Ratebook for availability of riders.)*

Waiver of Premium (PI 1 only) ☐ Yes ☐ No

☐ Guaranteed Insurability Option \$ \_\_\_\_\_

☐ Children's Term Rider \_\_\_\_\_ Units

☐ Payor (Complete PI 2)

☐ 5 Year Term (PI 1) \$ \_\_\_\_\_

☐ 5 Year Term (PI 2) \$ \_\_\_\_\_

☐ Term to Age 95 - 10 (PI 1) \$ \_\_\_\_\_

☐ Term to Age 95 - 10 (PI 2) \$ \_\_\_\_\_

☐ Term to Age 95 - 20 (PI 1) \$ \_\_\_\_\_

☐ Term to Age 95 - 20 (PI 2) \$ \_\_\_\_\_

☐ Term to Age 95 - 30 (PI 1) \$ \_\_\_\_\_

☐ Term to Age 95 - 30 (PI 2) \$ \_\_\_\_\_

☐ Decreasing Term - 15 (PI 1) \$ \_\_\_\_\_

☐ Decreasing Term - 15 (PI 2) \$ \_\_\_\_\_

☐ Decreasing Term - 30 (PI 1) \$ \_\_\_\_\_

☐ Decreasing Term - 30 (PI 2) \$ \_\_\_\_\_

c. Amount of premium submitted with Application: \$ \_\_\_\_\_

Mode of premium payment: \_\_\_\_\_

## 7. Dividend Option

If the dividend option chosen is not available or no option is chosen, policy provisions determine the option.

- ☐ Paid-up Additions
- ☐ Accumulate
- ☐ Reduce Premium
- ☐ Cash

## 8. Complete if policy applied for has an APL provision.

Do you want the Automatic Premium Loan provision to apply, if applicable?

Yes ☐ No ☐

## 9. Universal Life / First to Die / Second to Die

a. Initial Basic Amount: \$ [100,000] ☐ Universal Life ☒ First to Die ☐ Second to Die

b. Death Benefit: (Complete for new policy only.)

If no option is chosen, policy provisions determine the option.

☐ Option 1 - Basic Amount ☒ Option 2 - Basic Amount plus Account Value

c. Riders/Benefits applied for: (Check Ratebook for availability of riders.)

Waiver of Monthly Deduction (PI 1) ☐ Yes ☐ No

Waiver of Monthly Deduction (PI 2) (First to Die only) ☐ Yes ☐ No

☐ Guaranteed Insurability Option \$ \_\_\_\_\_

☐ Children's Term Rider \_\_\_\_\_ Units

☐ Level Term (PI 1) \$ \_\_\_\_\_ (First to Die or Second to Die only)

☐ Level Term (PI 2) \$ \_\_\_\_\_

☐ 4-Year Level Term (Second to Die only)

☐ Accelerated Death Benefit for Long-Term Care (Universal Life only)

d. Dividend Option:

If no option is chosen, policy provisions determine the option.

☒ Addition to Account Value ☐ Cash

e. IRS Definition of life insurance test: (Universal Life or First to Die only)

☐ Cash Value Accumulation ☒ Guideline Premium

f. Planned Premium:

Mode chosen: ☒ Annual ☐ SFPP Existing SFPP Account Number: \_\_\_\_\_

☐ Other Special Monthly: \_\_\_\_\_

Amount to be billed each payment date: \$ [1,281.00]

Amount of premium submitted with Application: \$ [1,281.00]

g. Increase in Basic Amount for Universal Life or First to Die only: (Do not complete for new policy.) \$ \_\_\_\_\_

## 10. Beneficiary Designation - Proposed Insured 1

- Completion of this section will replace all previous rider and policy designations for this policy. If a change of Plan or an addition in coverage, this designation will replace previous designations for this insured.
- This designation will apply if Proposed Insured 1 is insured under a Level Term (PI 1) rider.
- If the Basic Plan is Second to Die, this designation will apply if Proposed Insured 1 is the last insured to die.

Primary Beneficiary - Full Name

[Jane A. Doe]

Relationship

[Spouse]

Successor Beneficiary - Full Name

[Jill A. Doe]

Relationship

[Child]

**11. Beneficiary Designation - Proposed Insured 2**

- Complete for Additional Insured's rider only if the Beneficiary provision in the rider is NOT desired. If this section is completed, the Payment of Benefit provision of the policy will control rather than the Beneficiary provision of such rider. "Additional Insured" would be used in place of the "Insured". If a change of Plan or an addition in coverage, this designation will replace previous designations for this insured.
- This designation will apply if Proposed Insured 2 is insured under a Level Term (PI 2) rider.
- If the Basic Plan is Second to Die, this designation will apply if Proposed Insured 2 is the last insured to die.

Primary Beneficiary - Full Name

[John J. Doe]

Relationship

[Spouse]

Successor Beneficiary - Full Name

[Jill A. Doe]

Relationship

[Child]

**12. Complete 12 if CTR applied for. List children under age 18 (if none, so state)**

Last Name, First Name, MI (If last name different, explain.)	Sex	Relationship to Proposed Insured(s) (Child, Stepchild, Legally Adopted Child)		Birth Date			Amount Now Insured For
		PI 1	PI 2 (Complete for First to Die only)	Month	Day	Year	
							\$

**Complete 13-15 if CTR applied for OR Proposed Insured 1 is under age 16.**

**13.** In the last 10 years, has Proposed Insured 1 or any children named in question 12, been diagnosed, treated, or been given advice by a member of the medical profession for: *(If yes, check all that apply and explain.)*

Yes No

☐ ☐

- |  |   |   |
|--|---|---|
| a. <input type="checkbox"/> birth defect   | e. <input type="checkbox"/> mental disorder | i. <input type="checkbox"/> impairment of sight, hearing, or speech |
| b. <input type="checkbox"/> asthma         | f. <input type="checkbox"/> seizure         | j. <input type="checkbox"/> diabetes                                |
| c. <input type="checkbox"/> kidney disease | g. <input type="checkbox"/> heart murmur    | k. <input type="checkbox"/> anemia                                  |
| d. <input type="checkbox"/> leukemia       | h. <input type="checkbox"/> cancer          |   |

**14.** Has Proposed Insured 1 or any children named in question 12, ever been diagnosed by a member of the medical profession or tested positive for Human Immunodeficiency Virus (AIDS virus) or Acquired Immune Deficiency Syndrome (AIDS)? *(If yes, explain.)*

Yes No

☐ ☐

**15.** In the last 3 years, has Proposed Insured 1 or any children named in question 12, seen a doctor for any reason not previously explained excluding any routine physical examination with normal findings? *(If yes, explain.)*

☐ ☐

## 16. Complete for all Applications

Proposed Insured 1 or Applicant, if other than Proposed Insured 1:

a. Do you own any life insurance or annuities on yourself or others?

Yes No

☐ ☒

b. If yes, is this policy a replacement of any of those policies?

☐ ☒

c. What is the total amount of life insurance in force on you from all companies (excluding group insurance)?

PI 1 \$ \_\_\_\_\_ PI 2 \$ \_\_\_\_\_

PI 1

Yes No

☐ ☒

PI 2

Yes No

☐ ☒

d. Is anyone now applying for life or health insurance on you with any other company?

(If yes, in Explanations state company and amounts.)

## Applications (Ages 16 & up): Complete 17-22

17. Have you used tobacco or other nicotine products in any form in the last 36 months?

(If yes, please provide month/year last used: PI 1 \_\_\_\_\_ / \_\_\_\_\_ PI 2 \_\_\_\_\_ / \_\_\_\_\_ )  
Month Year Month Year

PI 1

Yes No

☐ ☒

PI 2

Yes No

☐ ☒

18. In the last 10 years, have you been diagnosed, treated, or been given advice by a member of the medical profession for: (If yes, explain.)

(Check all that apply)

(Check all that apply)

☐ ☒

☐ ☒

PI 1 PI 2

PI 1 PI 2

a. ☐ ☐ cancer or tumor

c. ☐ ☐ heart disease or disorder, chest pain, high blood pressure

b. ☐ ☐ diabetes

d. ☐ ☐ stroke or transient ischemic attack (TIA)

19. Have you ever been diagnosed by a member of the medical profession or tested positive for Human Immunodeficiency Virus (AIDS virus) or Acquired Immune Deficiency Syndrome (AIDS)? (If yes, explain.)

☐ ☒

☐ ☒

20. In the last 5 years, have you for any reason not previously explained: (If yes, explain.)

a. seen a doctor or psychologist?

☐ ☒

☒ ☐

b. had medication prescribed **other than** medications for cold, flu, seasonal allergies (i.e. hay fever), or birth control? (If yes, list and explain.)

☐ ☒

☐ ☒

c. had or been advised by a member of the medical profession to have treatment or a test (except for Human Immunodeficiency Virus) in any lab, clinic, or hospital?

☐ ☒

☐ ☒

d. been told by a member of the medical profession surgery was necessary?

☐ ☒

☐ ☒

21. In the last 3 years, have you: (If yes, explain.)

a. been convicted of or pleaded guilty to any felony or any moving violations or driving under the influence of alcohol or drugs?

☐ ☒

☐ ☒

b. engaged in any type of aviation activity (other than as a passenger); or is any such activity planned in the next 6 months?

☐ ☒

☐ ☒

c. engaged in avocations such as mountain/rock climbing, vehicle racing, SCUBA/skin diving, sky diving, ballooning, or hang gliding; or is any such activity planned in the next 6 months?

☐ ☒

☐ ☒

22. Do you plan to leave or travel from the United States or Canada in the next 6 months? (If yes, explain.)

☐ ☒

☐ ☒

### 23. Applications (Ages 16 and up): Complete 23

Proposed Insured 1 or Applicant, if other than Proposed Insured 1:

- |  |                              |  |
|--|------------------------------|--|
| a. Have you entered into or made any plans to enter into any agreement or contract to sell or assign the ownership of, or a beneficial interest in the policy you are applying for? <i>(If yes, explain.)</i>  | Yes<br><input type="radio"/> | No<br><input checked="" type="radio"/> |
| b. Have you received or do you anticipate receiving any type of inducement, fee, or compensation as an incentive to purchase the policy you are applying for? <i>(If yes, explain.)</i>  | <input type="radio"/>        | <input checked="" type="radio"/>       |
| c. Have you ever received any inducement, fee or compensation as an incentive to purchase, sell, transfer or assign a life insurance or annuity policy? <i>(If yes, explain.)</i>  | <input type="radio"/>        | <input checked="" type="radio"/>       |
| d. Have you ever sold, transferred or assigned any life insurance or annuity policy to a third party, such as a viatical settlement entity, life settlement entity, insurance company, other secondary market provider, or premium financing entity? <i>(If yes, explain.)</i> | <input type="radio"/>        | <input checked="" type="radio"/>       |

### Applications (Ages 16 & up if NO medical exam is required): Complete 24-26

- |  |   | PI 1                  |                                  | PI 2                  |                                  |
|--|---|-----------------------|----------------------------------|-----------------------|----------------------------------|
|  |   | Yes                   | No                               | Yes                   | No                               |
| 24. In the last 10 years, have you for any reason not previously explained, been diagnosed, treated, or been given advice by a member of the medical profession for: <i>(If yes, explain.)</i>   |   | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> |
| <i>(Check all that apply)</i>  | <i>(Check all that apply)</i>   |                       |                                  |                       |                                  |
| <b>PI 1</b>  | <b>PI 2</b>   |                       |                                  |                       |                                  |
| a. <input type="checkbox"/> <input type="checkbox"/> respiratory disorder  | c. <input type="checkbox"/> <input type="checkbox"/> mental or nervous disorder |                       |                                  |                       |                                  |
| b. <input type="checkbox"/> <input type="checkbox"/> liver or intestinal disorder  | d. <input type="checkbox"/> <input type="checkbox"/> blood disorder             |                       |                                  |                       |                                  |
| 25. In the last 5 years, have you applied for or received disability benefits; had an injury to your neck, back, arm, or leg; or had any loss of sight or hearing? <i>(If yes, explain.)</i>   |   | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> |
| 26. In the last 5 years, have you used cocaine, marijuana, methamphetamine, or any other controlled substance or narcotic not prescribed by a member of the medical profession; had medical treatment or counseling for use of alcohol or prescribed or non-prescribed drugs; or been advised by a member of the medical profession to discontinue use of alcohol or prescribed or non-prescribed drugs? <i>(If yes, explain.)</i> |   | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> |

### 27. Explanations:

If space below is insufficient, use additional sheets which will be part of this application. Sheets must be signed and dated by Proposed Insured(s), and/or Applicant, and witnessed by Agent.

[20 a. Annual physical with Dr. William Catner, 456 North St., Bloomington, IL]

## 28. Agreements

Coverage will be effective as of the Policy Date if the following conditions are met: the first premium is paid when this policy is delivered; the Proposed Insureds are living on the delivery date; and, on that delivery date, the information given to the Company is true and complete to the best of the Proposed Insureds' and Applicant's knowledge and belief.

For changes in Basic Amount for a Universal Life Policy or First to Die Policy, the change will be effective on the Deduction Date on or next following acceptance of the change by the Company if on such Deduction Date the following conditions are met: there is enough Cash Surrender Value to make the required monthly deduction; the Proposed Insureds are all living; and the information given to the Company is true and complete to the best of the Proposed Insureds' and Applicant's knowledge and belief.

However, if a binding receipt has been given and is in effect, its terms apply.

All Proposed Insureds and the Applicant state that the information in this Application and any medical history is true and complete to the best of their knowledge and belief. Information is not true and complete to the best of their knowledge and belief if it misrepresents or omits a fact which a Proposed Insured or the Applicant knew or should have known, regardless whether the misrepresentation or omission was intentional. It is agreed that the Company can investigate the truth and completeness of such information while this policy is contestable.

By accepting this Policy, the Owner agrees to the beneficiaries named and corrections made. No change in plan, amount, benefits, or age at issue may be made on the Application unless the Owner agrees in writing. Only an authorized company officer may change the policy provisions. Neither the agent nor a medical examiner may pass on insurability.

Any policy issued on this Application will be owned by Proposed Insured 1 or the Applicant, if other than Proposed Insured 1.

NOTICE: Insurance laws may prohibit the owner of a life insurance policy from entering into any agreement to sell, transfer or assign a life insurance policy prior to the date the policy was issued, or within a period of time specified by state law after the date the policy was issued. The Owner should consult with legal advisors for any questions about these matters.

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

### Social Security or Tax Identification Number (TIN) Certification

By signing this application, I certify under penalties of perjury that (1) the TIN shown above is correct, and (2) I am exempt from backup withholding, or that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding, (If you are subject to backup withholding, cross out item 2.) and (3) I am a U.S. person (Including a U.S. resident alien).

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding. (See instructions.)

Date Signed [April 28, 2012]

at [Bloomington] AR  
City State

Signature of  
Proposed Insured 1 X [John Doe]  
*Not required if Proposed Insured is under age 16.*

Signature of  
Proposed Insured 2 X [Jane A. Doe]

Signature of Agent as  
Witness to all Signatures X [Mark Smith]

Signature  
of Applicant X \_\_\_\_\_  
*Not required unless applicant is other than Proposed Insured 1. If a firm or corporation is to be the owner, give its name and signature of authorized officer.*



SERFF Tracking Number:	STFL-127348922	State:	Arkansas
Filing Company:	State Farm Life Insurance Company	State Tracking Number:	49645
Company Tracking Number:	SFL12037-04 ET AL		
TOI:	L09I Individual Life - Flexible Premium Adjustable Life	Sub-TOI:	L09I.003 Joint (First to Die)
Product Name:	Joint UL 1st to Die		
Project Name/Number:	Joint UL 1st to Die/12037-04 et al		

## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Flesch Certification		
<b>Comments:</b> See Attached		
<b>Attachment:</b> ARFLESCH 12037-04 et al - 8-3-11.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Application		
<b>Comments:</b> See Attached.		
<b>Attachment:</b> 1000704 AR.3 Life App_bracketed FINAL - 8-5-2011.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Health - Actuarial Justification		
<b>Comments:</b> Not Applicable to this filing.		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Outline of Coverage		
<b>Comments:</b> Not applicable to this filing.		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Regulation 19 Certification		

SERFF Tracking Number: STFL-127348922 State: Arkansas  
Filing Company: State Farm Life Insurance Company State Tracking Number: 49645  
Company Tracking Number: SFL12037-04 ET AL  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.003 Joint (First to Die)  
Adjustable Life  
Product Name: Joint UL 1st to Die  
Project Name/Number: Joint UL 1st to Die/12037-04 et al

**Comments:**

See Attached

**Attachment:**

ARREG19\_12037-04 .pdf

**Item Status:**

**Status  
Date:**

**Satisfied - Item:** Arkansas - Form 1

**Comments:**

See Attached

**Attachment:**

AR\_Form1\_NewAlbany.pdf

**Item Status:**

**Status  
Date:**

**Satisfied - Item:** AR 03906-04.1 & 03905-04.1

**Comments:**

See Attached

**Attachments:**

AR 03906-04.1.pdf

Form\_03905-04.1.pdf

**Item Status:**

**Status  
Date:**

**Satisfied - Item:** Statements of Variability

**Comments:**

See Attached

**Attachments:**

12037-04 - AR Statement of Variability - 8-5-11.pdf

12108-04 - AR Statement of Variability - 8-5-11.pdf

12128-04 - AR Statement of Variability - 8-5-11.pdf

12145 - AR Statement of Variability - 8-5-11.pdf

12203 - AR Statement of Variability - 8-5-11.pdf

12204 - AR Statement of Variability - 8-5-11.pdf

12258-04 - AR Statement of Variability - 8-5-11.pdf

SERFF Tracking Number: STFL-127348922 State: Arkansas  
Filing Company: State Farm Life Insurance Company State Tracking Number: 49645  
Company Tracking Number: SFL12037-04 ET AL  
TOI: L09I Individual Life - Flexible Premium Sub-TOI: L09I.003 Joint (First to Die)  
Adjustable Life  
Product Name: Joint UL 1st to Die  
Project Name/Number: Joint UL 1st to Die/12037-04 et al  
1000704 AR.3 - AR Statement of Variability - 8-5-11.pdf

Item Status: Status  
Date:

**Satisfied - Item:** Actuarial Memorandum

**Comments:**

See Attached

**Attachments:**

12037 JUL Actuarial Memo - CW - 8-25-11.pdf  
12037 JUL Act Mem Attachment 1 - CW - 8-25-11.pdf  
12037 JUL Act Memo Attachment 2 - CW - 8-25-11.pdf  
12108 12128 JUL LTR Actuarial Memorandum - CW - 8-25-11.pdf  
12108 12128 JUL LTR Cash Values Attachment 1 - CW - 8-25-11.pdf  
12108 12128 JUL LTR Guar COI Attachment 2 - CW - 8-25-11.pdf  
12145 JUL CTR Actuarial Memorandum - CW - 8-25-11.pdf  
12145 JUL CTR Act Mem Appendix A - CW - 8-25-11.pdf  
12258 JUL GIO Actuarial Memorandum - CW - 8-25-11.pdf

Item Status: Status  
Date:

**Satisfied - Item:** Regulation 34

**Comments:**

See Attached

**Attachment:**

12037 AR Regulation 34 Certification - 8-25-11.pdf

Item Status: Status  
Date:

**Satisfied - Item:** Comply with Bulletin 11-83 &  
Indeterminate Premium Certificate

**Comments:**

**Attachments:**

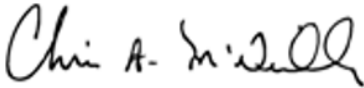
AR\_\_12037-04 comply Bulletin 11-83.pdf  
12037 AR Consent to Submit Rates and or Cost Bases for Approval - 8-25-11.pdf

# STATE OF ARKANSAS

## CERTIFICATE

This is to certify that the attached forms have achieved a Flesch Reading Ease Score indicated below and comply with the requirements of Ark. Stat. Ann. §§66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act.

<u>Form #</u>	<u>Flesch Score</u>
12037-04	56
12108-04	58
12128-04	58
12203	45
12204	45
12145	60
12258-04	56
1000704 AR.3	57



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Chris A. McNeilly

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Assistant Secretary

Title

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August 2, 2011

Date





State Farm Life Insurance Company  
One State Farm Plaza, Bloomington, IL 61710-0001

Doc  
Type: **01** Check Digit

## Application for Individual Life Insurance

### 1. Type of Application *(Check one)*

- a. ☒ New Business
- b. ☐ Change of Plan/Added Benefits ☐ Universal Life/First to Die Increase  
☐ Term Conversion with Increase in Amount ☐ Select Term Re-entry
- Existing Plan Number(s): \_\_\_\_\_

### 2. Proposed Insured 1 *(Print name in full)*

<input checked="" type="radio"/> Mr.	Last Name	First Name		Middle Initial			
a. <input type="radio"/> Ms.	[Doe]	[John]		[J]			
Mailing Address		City		State	ZIP Code		
b. [123 Main St.]		[Bloomington]		[IL]	[61701]		
Social Security or Tax Identification Number		Driver's License Number		State	Sex	Birth Date (mm/dd/yyyy)	Age
c. [000-00-0000]		[D000-0000-0000]		[IL]	[M]	[08-21-1966]	[35]
Marital Status		Height	Weight	State of Birth	United States or Canadian Citizen?	Yes	No
d. [Married]		[6' 2"]	[195]	[IL]		<input checked="" type="radio"/>	<input type="radio"/>
Occupation		Employer's Name					
e. [Attorney]		[Self]					
Do job duties involve work in one of the following occupation categories: amusement, sports, construction, explosives, diving, liquor, logging, mining, gas, or oil? <i>(If yes, explain exact duties.)</i>						Yes	No
						<input type="radio"/>	<input checked="" type="radio"/>

f. \_\_\_\_\_

### 3. Proposed Insured 2 *(Additional Insured or Payor, print name in full)*

<input type="radio"/> Mr.	Last Name	First Name		Middle Initial			
a. <input checked="" type="radio"/> Ms.	[Doe]	[Jane]		[A]			
Social Security or Tax Identification Number		Driver's License Number		State	Sex	Birth Date (mm/dd/yyyy)	Age
b. [000-00-0000]		[D000-0000-0000]		[IL]	[F]	[07-19-1966]	[35]
Marital Status		Height	Weight	State of Birth	United States or Canadian Citizen?	Yes	No
c. [Married]		[5' 6"]	[135]	[IL]		<input checked="" type="radio"/>	<input type="radio"/>
Occupation		Employer's Name					
d. [Attorney]		[Self]					
Do job duties involve work in one of the following occupation categories: amusement, sports, construction, explosives, diving, liquor, logging, mining, gas, or oil? <i>(If yes, explain exact duties.)</i>						Yes	No
						<input type="radio"/>	<input checked="" type="radio"/>

e. \_\_\_\_\_

### 4. Applicant/Owner *(Complete 4 if not Proposed Insured 1, print name in full)*

Last Name		First Name		Middle Initial	Social Security or Tax Identification Number	
a. _____		_____		_____	_____	
Mailing Address		City		State	ZIP Code	
b. _____		_____		_____	_____	

#### Successor Owner *(Required unless the Applicant/Owner is a Trust or Corporation)*

Last Name		First Name		Middle Initial	
c. _____		_____		_____	

## 5. Complete 5 if Proposed Insured is under age 16

- a. Is Proposed Insured to be Owner at and after age 21? Yes No  
☐ ☐
- b. Give amount of insurance in force on: *(If none, so indicate.)*  
Father \$ \_\_\_\_\_ Mother \$ \_\_\_\_\_

## 6. Coverages Applied For *(Do not complete 6-8 if applying for Universal Life / First to Die / Second to Die.)*

a. Amount Applied For: \$ \_\_\_\_\_

### Basic Plan coverage applied for:

- |   |   |   |
|---|---|---|
| <input type="radio"/> Whole Life          | <input type="radio"/> Term to Age 95 - 10 | <input type="radio"/> Return of Premium Term - 20 |
| <input type="radio"/> Single Premium Life | <input type="radio"/> Term to Age 95 - 20 | <input type="radio"/> Return of Premium Term - 30 |
| <input type="radio"/> 10 Pay Life         | <input type="radio"/> Term to Age 95 - 30 | <input type="radio"/> Decreasing Term - 15        |
| <input type="radio"/> 15 Pay Life         | <input type="radio"/> 5 Year Term         | <input type="radio"/> Decreasing Term - 30        |
| <input type="radio"/> 20 Pay Life         |   |   |

b. Riders/Benefits applied for: *(Check Ratebook for availability of riders.)*

Waiver of Premium (PI 1 only) ☐ Yes ☐ No

☐ Guaranteed Insurability Option \$ \_\_\_\_\_

☐ Children's Term Rider \_\_\_\_\_ Units

☐ Payor (Complete PI 2)

☐ 5 Year Term (PI 1) \$ \_\_\_\_\_

☐ 5 Year Term (PI 2) \$ \_\_\_\_\_

☐ Term to Age 95 - 10 (PI 1) \$ \_\_\_\_\_

☐ Term to Age 95 - 10 (PI 2) \$ \_\_\_\_\_

☐ Term to Age 95 - 20 (PI 1) \$ \_\_\_\_\_

☐ Term to Age 95 - 20 (PI 2) \$ \_\_\_\_\_

☐ Term to Age 95 - 30 (PI 1) \$ \_\_\_\_\_

☐ Term to Age 95 - 30 (PI 2) \$ \_\_\_\_\_

☐ Decreasing Term - 15 (PI 1) \$ \_\_\_\_\_

☐ Decreasing Term - 15 (PI 2) \$ \_\_\_\_\_

☐ Decreasing Term - 30 (PI 1) \$ \_\_\_\_\_

☐ Decreasing Term - 30 (PI 2) \$ \_\_\_\_\_

c. Amount of premium submitted with Application: \$ \_\_\_\_\_

Mode of premium payment: \_\_\_\_\_

## 7. Dividend Option

If the dividend option chosen is not available or no option is chosen, policy provisions determine the option.

- ☐ Paid-up Additions
- ☐ Accumulate
- ☐ Reduce Premium
- ☐ Cash

## 8. Complete if policy applied for has an APL provision.

Do you want the Automatic Premium Loan provision to apply, if applicable?

Yes No  
☐ ☐

## 9. Universal Life / First to Die / Second to Die

a. Initial Basic Amount: \$ [100,000] ☐ Universal Life ☒ First to Die ☐ Second to Die

b. Death Benefit: (Complete for new policy only.)

If no option is chosen, policy provisions determine the option.

☐ Option 1 - Basic Amount ☒ Option 2 - Basic Amount plus Account Value

c. Riders/Benefits applied for: (Check Ratebook for availability of riders.)

Waiver of Monthly Deduction (PI 1) ☐ Yes ☐ No

Waiver of Monthly Deduction (PI 2) (First to Die only) ☐ Yes ☐ No

☐ Guaranteed Insurability Option \$ \_\_\_\_\_

☐ Children's Term Rider \_\_\_\_\_ Units

☐ Level Term (PI 1) \$ \_\_\_\_\_ (First to Die or Second to Die only)

☐ Level Term (PI 2) \$ \_\_\_\_\_

☐ 4-Year Level Term (Second to Die only)

☐ Accelerated Death Benefit for Long-Term Care (Universal Life only)

d. Dividend Option:

If no option is chosen, policy provisions determine the option.

☒ Addition to Account Value ☐ Cash

e. IRS Definition of life insurance test: (Universal Life or First to Die only)

☐ Cash Value Accumulation ☒ Guideline Premium

f. Planned Premium:

Mode chosen: ☒ Annual ☐ SFPP Existing SFPP Account Number: \_\_\_\_\_

☐ Other Special Monthly: \_\_\_\_\_

Amount to be billed each payment date: \$ [1,281.00]

Amount of premium submitted with Application: \$ [1,281.00]

g. Increase in Basic Amount for Universal Life or First to Die only: (Do not complete for new policy.) \$ \_\_\_\_\_

## 10. Beneficiary Designation - Proposed Insured 1

- Completion of this section will replace all previous rider and policy designations for this policy. If a change of Plan or an addition in coverage, this designation will replace previous designations for this insured.
- This designation will apply if Proposed Insured 1 is insured under a Level Term (PI 1) rider.
- If the Basic Plan is Second to Die, this designation will apply if Proposed Insured 1 is the last insured to die.

Primary Beneficiary - Full Name

[Jane A. Doe]

Relationship

[Spouse]

Successor Beneficiary - Full Name

[Jill A. Doe]

Relationship

[Child]



## 11. Beneficiary Designation - Proposed Insured 2

- Complete for Additional Insured's rider only if the Beneficiary provision in the rider is NOT desired. If this section is completed, the Payment of Benefit provision of the policy will control rather than the Beneficiary provision of such rider. "Additional Insured" would be used in place of the "Insured". If a change of Plan or an addition in coverage, this designation will replace previous designations for this insured.
- This designation will apply if Proposed Insured 2 is insured under a Level Term (PI 2) rider.
- If the Basic Plan is Second to Die, this designation will apply if Proposed Insured 2 is the last insured to die.

Primary Beneficiary - Full Name

[John J. Doe]

Relationship

[Spouse]

Successor Beneficiary - Full Name

[Jill A. Doe]

Relationship

[Child]

## 12. Complete 12 if CTR applied for. List children under age 18 (if none, so state)

Last Name, First Name, MI (If last name different, explain.)	Sex	Relationship to Proposed Insured(s) (Child, Stepchild, Legally Adopted Child)		Birth Date			Amount Now Insured For
		PI 1	PI 2 (Complete for First to Die only)	Month	Day	Year	
							\$

## Complete 13-15 if CTR applied for OR Proposed Insured 1 is under age 16.

13. In the last 10 years, has Proposed Insured 1 or any children named in question 12, been diagnosed, treated, or been given advice by a member of the medical profession for: (If yes, check all that apply and explain.)

Yes No  
☐ ☐

- |  |   |   |
|--|---|---|
| a. <input type="checkbox"/> birth defect   | e. <input type="checkbox"/> mental disorder | i. <input type="checkbox"/> impairment of sight, hearing, or speech |
| b. <input type="checkbox"/> asthma         | f. <input type="checkbox"/> seizure         | j. <input type="checkbox"/> diabetes                                |
| c. <input type="checkbox"/> kidney disease | g. <input type="checkbox"/> heart murmur    | k. <input type="checkbox"/> anemia                                  |
| d. <input type="checkbox"/> leukemia       | h. <input type="checkbox"/> cancer          |   |

14. Has Proposed Insured 1 or any children named in question 12, ever been diagnosed by a member of the medical profession or tested positive for Human Immunodeficiency Virus (AIDS virus) or Acquired Immune Deficiency Syndrome (AIDS)? (If yes, explain.)

Yes No  
☐ ☐

15. In the last 3 years, has Proposed Insured 1 or any children named in question 12, seen a doctor for any reason not previously explained excluding any routine physical examination with normal findings? (If yes, explain.)

☐ ☐

## 16. Complete for all Applications

Proposed Insured 1 or Applicant, if other than Proposed Insured 1:

a. Do you own any life insurance or annuities on yourself or others?

Yes No

☐ ☒

b. If yes, is this policy a replacement of any of those policies?

☐ ☒

c. What is the total amount of life insurance in force on you from all companies (excluding group insurance)?

PI 1 \$ \_\_\_\_\_ PI 2 \$ \_\_\_\_\_

PI 1

Yes No

☐ ☒

PI 2

Yes No

☐ ☒

d. Is anyone now applying for life or health insurance on you with any other company?

(If yes, in Explanations state company and amounts.)

## Applications (Ages 16 & up): Complete 17-22

17. Have you used tobacco or other nicotine products in any form in the last 36 months?

(If yes, please provide month/year last used: PI 1 \_\_\_\_\_ / \_\_\_\_\_ PI 2 \_\_\_\_\_ / \_\_\_\_\_ )  
Month Year Month Year

PI 1

Yes No

☐ ☒

PI 2

Yes No

☐ ☒

18. In the last 10 years, have you been diagnosed, treated, or been given advice by a member of the medical profession for: (If yes, explain.)

(Check all that apply)

(Check all that apply)

☐ ☒

☐ ☒

PI 1 PI 2

PI 1 PI 2

a. ☐ ☐ cancer or tumor

c. ☐ ☐ heart disease or disorder, chest pain, high blood pressure

b. ☐ ☐ diabetes

d. ☐ ☐ stroke or transient ischemic attack (TIA)

19. Have you ever been diagnosed by a member of the medical profession or tested positive for Human Immunodeficiency Virus (AIDS virus) or Acquired Immune Deficiency Syndrome (AIDS)? (If yes, explain.)

☐ ☒

☐ ☒

20. In the last 5 years, have you for any reason not previously explained: (If yes, explain.)

a. seen a doctor or psychologist?

☐ ☒

☒ ☐

b. had medication prescribed **other than** medications for cold, flu, seasonal allergies (i.e. hay fever), or birth control? (If yes, list and explain.)

☐ ☒

☐ ☒

c. had or been advised by a member of the medical profession to have treatment or a test (except for Human Immunodeficiency Virus) in any lab, clinic, or hospital?

☐ ☒

☐ ☒

d. been told by a member of the medical profession surgery was necessary?

☐ ☒

☐ ☒

21. In the last 3 years, have you: (If yes, explain.)

a. been convicted of or pleaded guilty to any felony or any moving violations or driving under the influence of alcohol or drugs?

☐ ☒

☐ ☒

b. engaged in any type of aviation activity (other than as a passenger); or is any such activity planned in the next 6 months?

☐ ☒

☐ ☒

c. engaged in avocations such as mountain/rock climbing, vehicle racing, SCUBA/skin diving, sky diving, ballooning, or hang gliding; or is any such activity planned in the next 6 months?

☐ ☒

☐ ☒

22. Do you plan to leave or travel from the United States or Canada in the next 6 months? (If yes, explain.)

☐ ☒

☐ ☒

### 23. Applications (Ages 16 and up): Complete 23

Proposed Insured 1 or Applicant, if other than Proposed Insured 1:

- |  |                              |  |
|--|------------------------------|--|
| a. Have you entered into or made any plans to enter into any agreement or contract to sell or assign the ownership of, or a beneficial interest in the policy you are applying for? <i>(If yes, explain.)</i>  | Yes<br><input type="radio"/> | No<br><input checked="" type="radio"/> |
| b. Have you received or do you anticipate receiving any type of inducement, fee, or compensation as an incentive to purchase the policy you are applying for? <i>(If yes, explain.)</i>  | <input type="radio"/>        | <input checked="" type="radio"/>       |
| c. Have you ever received any inducement, fee or compensation as an incentive to purchase, sell, transfer or assign a life insurance or annuity policy? <i>(If yes, explain.)</i>  | <input type="radio"/>        | <input checked="" type="radio"/>       |
| d. Have you ever sold, transferred or assigned any life insurance or annuity policy to a third party, such as a viatical settlement entity, life settlement entity, insurance company, other secondary market provider, or premium financing entity? <i>(If yes, explain.)</i> | <input type="radio"/>        | <input checked="" type="radio"/>       |

### Applications (Ages 16 & up if NO medical exam is required): Complete 24-26

- |  |   | PI 1                  |                                  | PI 2                  |                                  |
|--|---|-----------------------|----------------------------------|-----------------------|----------------------------------|
|  |   | Yes                   | No                               | Yes                   | No                               |
| 24. In the last 10 years, have you for any reason not previously explained, been diagnosed, treated, or been given advice by a member of the medical profession for: <i>(If yes, explain.)</i>   |   | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> |
| <i>(Check all that apply)</i>  | <i>(Check all that apply)</i>   |                       |                                  |                       |                                  |
| <b>PI 1</b>  | <b>PI 2</b>   |                       |                                  |                       |                                  |
| a. <input type="checkbox"/> <input type="checkbox"/> respiratory disorder  | c. <input type="checkbox"/> <input type="checkbox"/> mental or nervous disorder |                       |                                  |                       |                                  |
| b. <input type="checkbox"/> <input type="checkbox"/> liver or intestinal disorder  | d. <input type="checkbox"/> <input type="checkbox"/> blood disorder             |                       |                                  |                       |                                  |
| 25. In the last 5 years, have you applied for or received disability benefits; had an injury to your neck, back, arm, or leg; or had any loss of sight or hearing? <i>(If yes, explain.)</i>   |   | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> |
| 26. In the last 5 years, have you used cocaine, marijuana, methamphetamine, or any other controlled substance or narcotic not prescribed by a member of the medical profession; had medical treatment or counseling for use of alcohol or prescribed or non-prescribed drugs; or been advised by a member of the medical profession to discontinue use of alcohol or prescribed or non-prescribed drugs? <i>(If yes, explain.)</i> |   | <input type="radio"/> | <input checked="" type="radio"/> | <input type="radio"/> | <input checked="" type="radio"/> |

### 27. Explanations:

If space below is insufficient, use additional sheets which will be part of this application. Sheets must be signed and dated by Proposed Insured(s), and/or Applicant, and witnessed by Agent.

[20 a. Annual physical with Dr. William Catner, 456 North St., Bloomington, IL]

## 28. Agreements

Coverage will be effective as of the Policy Date if the following conditions are met: the first premium is paid when this policy is delivered; the Proposed Insureds are living on the delivery date; and, on that delivery date, the information given to the Company is true and complete to the best of the Proposed Insureds' and Applicant's knowledge and belief.

For changes in Basic Amount for a Universal Life Policy or First to Die Policy, the change will be effective on the Deduction Date on or next following acceptance of the change by the Company if on such Deduction Date the following conditions are met: there is enough Cash Surrender Value to make the required monthly deduction; the Proposed Insureds are all living; and the information given to the Company is true and complete to the best of the Proposed Insureds' and Applicant's knowledge and belief.

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All Proposed Insureds and the Applicant state that the information in this Application and any medical history is true and complete to the best of their knowledge and belief. Information is not true and complete to the best of their knowledge and belief if it misrepresents or omits a fact which a Proposed Insured or the Applicant knew or should have known, regardless whether the misrepresentation or omission was intentional. It is agreed that the Company can investigate the truth and completeness of such information while this policy is contestable.

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Any policy issued on this Application will be owned by Proposed Insured 1 or the Applicant, if other than Proposed Insured 1.

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### Social Security or Tax Identification Number (TIN) Certification

By signing this application, I certify under penalties of perjury that (1) the TIN shown above is correct, and (2) I am exempt from backup withholding, or that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding, (If you are subject to backup withholding, cross out item 2.) and (3) I am a U.S. person (Including a U.S. resident alien).

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding. (See instructions.)

Date Signed [April 28, 2012]

at [Bloomington] AR  
City State

Signature of  
Proposed Insured 1 X [John Doe]  
*Not required if Proposed Insured is under age 16.*

Signature of  
Proposed Insured 2 X [Jane A. Doe]

Signature of Agent as  
Witness to all Signatures X [Mark Smith]

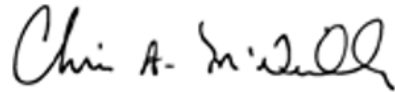
Signature  
of Applicant X \_\_\_\_\_  
*Not required unless applicant is other than Proposed Insured 1. If a firm or corporation is to be the owner, give its name and signature of authorized officer.*

**STATE OF ARKANSAS**

**CERTIFICATION**

This is to certify that the forms contained in this submission are in compliance with Arkansas Regulation No. 19:

Form # 12037-04

A handwritten signature in black ink, appearing to read "Chris A. McNeilly", written over a horizontal line.

Chris A. McNeilly  
Assistant Secretary

August 2, 2011

Date

# State Farm Insurance Companies



New Albany Operations Center  
5400 New Albany Road East  
New Albany, OH 43054

Date

Mr. John Smith  
Street Address  
City, State, Zip Code

Re: Policy No.  
Claim No.  
Insured

Dear Mr. Smith:

Thank you for notifying us of the claim against this policy.

(Variable information)

Arkansas Law requires us to pay 8% interest per year on policy proceeds and refund of premiums if payment is not made within 30 days after our receipt of proof of the insured's death. Such interest accrues from date of death to date of payment.

(Variable information)

Sincerely,

## STATE FARM LIFE INSURANCE COMPANY

### **LIMITATIONS AND EXCLUSIONS UNDER THE ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION ACT**

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of this Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted below, this protection is not a substitute for consumers' care in selecting insurance companies that are well-managed and financially stable.

#### **DISCLAIMER**

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it will be subject to substantial limitations or exclusions and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

Arkansas Life and Health Insurance Guaranty Association  
C/o The Liquidation Division  
1023 West Capitol  
Little Rock, Arkansas 72201

Arkansas Insurance Department  
1200 West Third Street  
Little Rock, Arkansas 72201-1904

#### **SUMMARY**

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

##### **Coverage**

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

(Please see reverse side.)

## Exclusions from Coverage

However, persons owning such policies are NOT protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does NOT provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of a policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contractholders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC") (whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution;
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a nonaffiliate benefit plan or its trustees).

## Limits on Amount of Coverage

The Act also limits the amount the Guaranty Association is obligated to cover. The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. For any one insured life, the Guaranty Association will pay a maximum of \$300,000 - no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within the overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values - again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.



**Dear Policyholder:**

For information or assistance with any insurance problem, be sure to **contact your State Farm agent first**. Your "good neighbor" agent will be happy to help you.

Agent's Name, Address, Phone Number

If additional information or assistance is required, you may contact:

**State Farm Life Insurance Company  
8900 Amberglen Boulevard  
Austin, Texas 78729-1110  
Phone: (512) 918-4000**

If you are still not satisfied with the service you have received, you should feel free to contact:

**Arkansas Insurance Department  
Consumer Services Division  
1200 West Third Street  
Little Rock, Arkansas 72201-1904  
Phone: 1-800-852-5494**

**Policyholder Information Service**

**State Farm Life Insurance Company  
Home Office:  
Bloomington, Illinois 61710-0001**

**State Farm Life Insurance Company**

**Statement of Variability  
12037-04**

The variable material includes the John Doe hypothetical information along with the company officers' signatures, which are bracketed.

**State Farm Life Insurance Company**

**Statement of Variability  
12108-04**

The bracketed variable material includes the following:

- The company officers' signatures are subject to change.

**State Farm Life Insurance Company**

**Statement of Variability  
12128-04**

The bracketed variable material includes the following:

- The company officers' signatures are subject to change.

**State Farm Life Insurance Company**

**Statement of Variability  
12145**

The bracketed variable material includes the following:

- The company officers' signatures are subject to change.

**State Farm Life Insurance Company**

**Statement of Variability  
12203**

The bracketed variable material includes the following:

- The company officers' signatures are subject to change.

**State Farm Life Insurance Company**

**Statement of Variability  
12204**

The bracketed variable material includes the following:

- The company officers' signatures are subject to change.

**State Farm Life Insurance Company**

**Statement of Variability  
12258-04**

The bracketed variable material includes the following:

- The company officers' signatures are subject to change.



**State Farm Life Insurance Company**

**Statement of Variability  
1000704 AR.3**

The bracketed variable material includes the following:

- All John Doe information is hypothetical for purposes of the submission and will vary depending on the policy issued.

## CERTIFICATE OF COMPLIANCE

Sections 6 and 7 of Rule and Regulation 34 have been reviewed and Form 12037-04 is in compliance. In every case reserves will be greater than or equal to the actual cash surrender values provided for under Form 12037-04. The reserves will be greater than or equal to the minimum reserves calculated under Regulation 34.

State Farm Life Insurance Company  
Company Name

*Randall Petersen*

\_\_\_\_\_  
Randall Petersen, F.S.A., M.A.A.A.

\_\_\_\_\_  
Actuarial Director I

Title

\_\_\_\_\_  
August 25, 2011

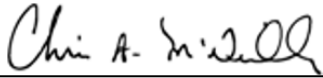
Date

## CERTIFICATE OF COMPLIANCE

State Farm Life Insurance Company certifies that we have reviewed the guidelines in Bulletin No. 11-83 and Form 12037-04 complies with these guidelines. The consent form required by Bulletin No. 11-83 is attached.

State Farm Life Insurance Company

Company Name

A handwritten signature in black ink, appearing to read "Chris A. McNeilly", is written over a horizontal line.

Chris A. McNeilly

Assistant Secretary

Title

Date: August 2, 2011

EXHIBIT A (REVISED)

CONSENT TO SUBMIT RATES  
AND/OR COST BASES FOR APPROVAL

The State Farm Life Insurance Company of  
(Company Name)

Bloomington, Illinois does hereby consent  
(City and State)

and agree

- A) that all premium rates and/or cost bases both "maximum" and "current or projected", used in relation to policy form number 12037-04 must be filed with the Insurance Commissioner for the State of Arkansas ("Commissioner") at least sixty (60) days prior to their proposed effective date. Such rates and/or cost bases shall be deemed effective sixty (60) days after they are filed with the Commissioner, unless the Commissioner shall approve or disapprove such rates and/or cost bases prior to the expiration of sixty (60) days.

or

- B) that where the policy is a flexible or indeterminate premium whole life policy which provides for frequent changes in interest rates based on financial market conditions, the company may file a range of rates it will stay within and will notify the Department at least sixty (60) days prior to any change in the range of rates. The company must also document the method used to calculate its premium and range of rates.

State Farm Life Insurance Company  
(Company)

*Randall Petersen*

By: \_\_\_\_\_  
Randall Petersen  
Actuarial Director I